

EXTENSIONS OF REMARKS

GOVERNMENT GONE CRAZY

HON. BOB McEWEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. McEWEN. Mr. Speaker, recently I read an article in Nation's Business regarding the controversial section 89 provisions of the Federal Tax Code and the implications this will have for small business. I want to share this excellent article with my colleagues in an effort to point out how Government has, once again, gone too far in regulating business. Government efforts to micromanage will lead many businesses to offer fewer benefits, or offer no benefits at all. Once again, Congress has succeeded in destroying precisely that which we sought to promote, through policies based on overregulation, complex law, and preemption of marketplace demands.

[From the Nation's Business, February 1989]

"GOVERNMENT GONE CRAZY"

(By Roger Thompson)

It was the end of another long day for Steven Ferruggia, whose mastery of a new, perversely complex federal benefits law has generated more consulting business than he can comfortably handle. His students—42 business owners, benefits managers, lawyers, and consultants—had paid \$195 apiece for an all-day workshop at Boston's Logan Airport Hilton. Participants had flown in from across New England and from as far away as Houston.

Ferruggia and two colleagues from New York-based Buck Consultants performed feats of verbal alchemy, laying out in clear English what Congress had cloaked in turgid prose. But no amount of explaining would relieve the sense of quiet desperation that pervaded the room. Puzzled looks and furrowed brows revealed by expression what went unsaid: This time, Congress had gone too far.

"I think this law will cause a lot of small employers to dump their benefit plans," Ferruggia said in a private moment after the workshop. "It's big government gone crazy," said Edward Maguire, a consultant with Sapers & Wallack in Cambridge, Mass.

The law in question is Section 89 of the federal tax code, one of several provisions that affect employee benefits and were added by the 1986 Tax Reform Act but were not effective until Jan. 1, 1989. Section 89 sets stiff tax penalties for employer-paid health insurance, life insurance, and other nonpension employee benefit plans that favor higher-paid workers.

Businesses that discriminate in favor of higher-paid workers have two choices: broaden and/or extend coverage to lower-paid workers or report the "discriminatory" portion of the higher-paid workers' benefits as taxable income.

Also effective Jan. 1 was another tax-law change that, while it has not drawn as much criticism as Section 89, could prove no less burdensome to some employers. The change

requires employer-provided retirement plans—including pension, profit-sharing, and so-called 401(k) savings plans—to meet rigid tests for fairness to workers who are not in the "highly paid" category defined in the law. Failure to comply with minimum coverage and participation requirements could result in loss of tax-favored status for both the plan sponsor and the plan participants. (See box on Page 24.)

Taken together, the new requirements imposed by Section 89 and the new pension-plan rules represent Congress' deepest penetration yet into the employer-provided benefits system. Experts say the two provisions encompass more changes and affect more plans than even the sweeping 1974 Employee Retirement Income Security Act (ERISA). That law placing intricate controls on employer-provided pension plans marked Congress' first concentrated attempt to regulate private-sector employee benefits. Since then, the lawmakers have amended and expanded employee-benefits laws almost annually, often to the confusion and dismay of employers.

In enacting Section 89, Congress said its goal was the extension of benefits, especially health insurance, to millions of lower-income workers who are inadequately covered or not covered at all. Under the law, part-time employees who work as few as 17.5 hours a week must be included in calculations to determine whether plans are discriminatory.

The congressional Joint Committee on Taxation explained its intent this way: "The [Section 89] non-discrimination rules should require employers to cover non-highly compensated employees to an extent comparable to the coverage of highly compensated employees."

But those who are familiar with Section 89 contend that it will have the opposite effect. "It will tend to decrease flexibility and increase administrative costs," says Frederick J. Krebs, manager of business and government policy for the U.S. Chamber of Commerce. "The effect will be fewer benefits and fewer businesses offering benefits."

"When you look at the cost of compliance, it's just not worth it," says Garry Jerome, a consultant with Mercer Meidinger Hansen Inc., in Philadelphia.

Many major industrial companies expect to spend more than \$1 million on compliance costs. An employer with 500 workers can expect to pay upwards of \$25,000 for a consultant. A firm with 200 workers could pay \$10,000 or more. Small companies may have trouble finding advice for less than \$1,000.

The high price of compliance is driven by the law's complexity. Section 89 is an administrative nightmare because it takes what appears to be a simple health plan—like those offered by many small companies—and multiplies it into several plans for testing purposes. Take a medical plan that offers coverage for single workers, workers with children, and workers with spouses, with each option offering two different deductibles. Under Section 89, that plan becomes six plans, and each must meet the non-discrimination tests. Some major cor-

porations with multiple plans and various benefit packages will have hundreds of plans to test.

Because the chances of failure to comply increase with the number of options available to employees, many employers will feel pressure to cut back on choices now available and steer clear of providing new ones.

The enormous complexity of Section 89 has promoted its critics to speculate that Congress was more interested in raising revenue than expanding benefits. "It's really a revenue statute dressed up to look like a do-gooder statute," says Howard C. Weizmann, executive director for the Association of Private Pension and Welfare Plans.

The joint tax committee estimates that Section 89 will net about \$300 million a year in revenue derived largely from treating a portion of higher-paid employees' benefits as taxable income. But Congress may have greatly underestimated the law's impact for two reasons.

First, lawmakers may have been too optimistic about the law's ability to persuade employers to extend benefits to lower-paid employees. Kent A. Mason, the law's chief architect, told a healthcare seminar in December that in most cases, employers will count any discriminatory excess benefits as income to highly paid workers and will "gross up" those employees' salaries—that is, increase their salaries to cover the newly taxable portion of benefits. "This option is much cheaper than extending benefits to low-paid workers," said Mason, who was counsel to the joint tax committee and now works for the Washington law firm of Caplin & Drysdale.

Second, widespread non-compliance would produce huge amounts in unanticipated tax penalties, warns Mary Hevener, a benefits attorney with the Washington law firm of Lee, Toomey & Kent. Employers who fail to comply with the non-discrimination rules will pay a tax penalty, calculated at the highest individual tax rate, on the benefits received by the highly compensated.

In addition, employees will be taxed on any benefits they receive if the employer fails to maintain a so-called qualified plan, which entails compliance with another set of rules similar to those already applied to pension plans.

Ferruggia and other consultants should be delighted about Section 89. Washington insiders regard it as a consultants' full-employment act. But consultants find themselves in the uncomfortable position of serving as shock troops for advancing a law that almost nobody can believe Congress actually passed.

Pat Haines, senior consultant in the Philadelphia office of the Coopers & Lybrand accounting and consulting firm, says the general reaction she gets from business audiences is, "I can't believe this is happening."

"I think if we are going to cause another American Revolution, Section 89 is it," says Thomas Veal, senior tax manager with Touche Ross and Co. in Washington. "If King George and Parliament had come up with anything like Section 89, it wouldn't have taken seven years to win the Revolutionary War."

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

In fact, Section 89 slipped through the tax-reform process with little notice. "No one focused on benefits changes" in the 1986 tax-reform legislation, said a Senate aide. "They just sort of happened."

Now, many employers are dragging their feet on compliance, waiting for it to collapse under its own weight. "We are hearing from employers who are predicting that Congress will repeal Section 89 sometime in [1989] after the outcry [over its complexity] begins," says Ken Feltman, executive director of the Employee Council on Flexible Compensation. He estimates that 60 percent of all businesses, primarily small companies, have not yet heard about Section 89, making ignorance of the law a major obstacle to compliance.

While large and mid-sized firms typically are staffed to keep abreast of changes in benefits laws, many small firms don't have the facilities to do so.

Observes Donald Utter, owner of Medical Personnel Pool, in Madison, Wis.: "It's the one secret that the government has been able to keep. Almost every small-business person I mention it to doesn't know what I'm talking about."

But small-business owners shouldn't assume that Congress will come to the rescue. Section 89 has powerful friends on Capitol Hill, including the two key figures behind the 1986 Tax Reform Act—Rep. Dan Rostenkowski, D-Ill., chairman of the House Ways and Means Committee, and Sen. Bob Packwood, R-Ore., ranking minority member of the Senate Finance Committee.

The law reflects a longstanding concern among many lawmakers that the federal government doesn't have enough control over who gets tax-exempt, employer-paid benefits, according to staffers on the tax-writing committees. The joint tax committee estimates that employer-provided health-care plans alone cost the government \$32 billion a year in "lost" revenue.

That kind of money, Congress decided, should produce better social-policy results, namely health insurance for lower-paid workers. Section 89 was driven by the perception that many employers were giving their highest-paid employees generous benefits while giving their lower-paid employees less or nothing at all. Supporters of this view note that 52 percent of the 37 million Americans who have no health insurance either work full time or are members of families headed by full-time workers. Accordingly, Congress cracked its tax-policy whip, forcing employers to fall into line or risk losing a tax subsidy for highly paid workers. Said one congressional staff member who worked on the legislation: "Why should the government be satisfied that blue-collar workers are getting less than white-collar workers?"

Business owners generally have no quarrel with Congress' intent. It's the execution that has benefits managers throwing up their hands in frustration.

Most large and mid-sized companies have turned to outside consultants for assistance. Small firms may find they have no other choice, says Feltman, of the Employee Council on Flexible Compensation. "In the end, what we have is a technician's dream and a layman's nightmare," he adds, explaining that Congress made Section 89 "so complex that the traditional expert that the small-business owner has relied on, his insurance broker, is no longer an expert. Now he'll have to go to higher-priced talent: lawyers, accountants, and consultants."

Reed Creaser, secretary/treasurer for General Crane and Hoist Inc., in Richmond

Hill, Ga., already knows what it's like to ask questions and get no answers. "I've asked several insurance companies to send me what they have on Section 89, but nobody has sent me anything yet. The individual agents seem to be as much in the dark as we are," he says.

Whether individual employers discriminate or not, the law puts the burden of proof on them. Collecting and analyzing the data needed on each employee frequently may cost more than correcting any discrimination that is found. In fact, an employer may sink thousands of dollars into data collection and analysis just to show that no discrimination exists.

Among the law's data requirements are those that compel employers to:

Identify the highly compensated and the non-highly compensated.

Determine who may be excluded from the tests.

Identify each benefit that must be tested. Sort out the family status of employees for separate family coverage testing.

Determine the number of former employees subject to testing.

Determine whether parts of an organization can be tested as a separate line of business.

Once the information is assembled, it isn't enough to show that coverage was offered. Benefit plans will be judged by the percentage of employees who actually participate.

The Section 89 Coalition, a group of 190 associations and businesses, lobbied unsuccessfully last year for a one-year delay in Section 89. The coalition's efforts were motivated in part by the Treasury Department's failure to produce regulations to implement the law. But Congress was in no mood to start chipping away at tax reform, especially when delay would add \$300 million to the federal budget deficit.

"The coalition met very heavy resistance from Rostenkowski," said Christine Hartoft, a legislative assistant with the Association of Private Pension and Welfare Plans. "He wasn't interested in anything that would make it look like tax reforms was unraveling."

Nonetheless, the Technical and Miscellaneous Revenue Act of 1988, signed into law Nov. 11, did contain some of the coalition's recommendations for simplifying the law. Among them:

Employers may test their benefit plans for compliance with non-discrimination rules on one day of the year; they do not have to track each benefit choice by each employee for each day of the year.

Benefit plans will not fail the nondiscrimination tests simply because too many employees choose to be covered by the spouses' plans.

Companies with nine or fewer workers may phase in coverage for part-time employees, those who work at least 17.5 hours a week, over three years.

The latter two changes are major concessions to the concerns of small companies, says Ron Danilson, assistant director of group operations with the Principal Financial Group of Des Moines, Iowa. A 1988 company survey of 100 employers with fewer than 10 workers found that up to 70 percent would fail, primarily because of the initial participation requirements for part-timers and workers covered by a spouse's insurance plan.

But even with the changes, the law and the monumental problems it poses for employers remain basically intact. "To expect small business to understand Section 89 is

absolutely ludicrous," says Danilson. Others who have studied the revisions still don't like what they see.

"It seems to me that if a company is considering putting in a health-care plan, and they run into this, they will just forget it," says Frank L. Mason, president of the Mason Corp., a Birmingham, Ala., manufacturer of metal building products.

"It's just too much of a burden to keep up with all the detail and still run a business," he adds. "You can just load a small-business wagon so full, and when you get beyond that, something has to give."

WE NEED MANDATORY INSPECTION OF FISH AND FISH PRODUCTS

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. DORGAN of North Dakota. Mr. Speaker, I am introducing today legislation that would greatly improve the safety of the American consumer of fish and seafood products.

There is growing evidence that we need mandatory Federal inspection of fish and fish products, and growing support for such inspection.

Every year, the importance of fish in the American diet increases. Until the middle of this century, the consumption of fish products was essentially limited to coastal areas of the United States. Today, many species of fish are consumed nationwide. Since 1975, per capita consumption has increased substantially, and over the next several years, consumption is expected to grow by nearly 3 percent annually.

Currently, only 20 percent of the fish consumed in this country has undergone voluntary Federal inspection. There is currently no mandatory inspection of seafood products as there is for meat and poultry. Instead, fish inspection is a hit-or-miss program, paid for by processors themselves. While the Food and Drug Administration has some oversight responsibility, their role is limited to spot checks and recall of hazardous products only after they are on the supermarket shelf.

The most recent report from the Centers for Disease Control indicates 24 percent of traceable food-borne illnesses were linked to fish and shellfish in 1982. This CDC report shows that food poisoning outbreaks are 10 times more likely to be caused by seafood than by beef.

In March 1986, the prestigious New England Journal of Medicine reported that consumption of raw shellfish is known to be associated with individual cases and sporadic outbreaks of enteric illness. In fact, an outbreak of gastroenteritis which reached epidemic proportions in New York State in 1982 was linked to raw shellfish.

An increasing number of fish and shellfish processors favor strengthening inspection of their products. As the National Fisheries Institute said at a congressional hearing in 1986, "It is logical that seafood inspection be re-evaluated and restructured to encourage greater consumer acceptance of seafood for

the sake of ensuring health benefits and to allow the Nation to benefit from the significant potential offered by our fishery resources."

My bill, the Mandatory Fish Inspection Act of 1989, would require the Secretary of Agriculture to establish a comprehensive, statistically sound program of mandatory inspection of the commercial processing of all freshwater and saltwater fish, shellfish, and their products which are used for human consumption.

Mr. Speaker, I urge my colleagues to join me in protecting American consumers by co-sponsoring this important legislation.

WILL WE GET OUR HOUSE IN ORDER?

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. STARK. Mr. Speaker, Jonathan Marshall of the Oakland Tribune's editorial staff is perhaps the most knowledgeable editorial writer on the flawed approach of our Federal Government's so-called war on drugs. Time and time again, the Tribune has printed lengthy discussions written by Jonathan about our Nation's drug policies. The paper continually raises some provocative questions about how we can best succeed in this area.

I'm sure a majority of Members of this body would agree with President Bush's statement that "we will never win this war on drugs unless we stop demand for drugs." That point is clear cut and obvious. I'm not as sure, however, about the efficacy of the arguments of some who think we ought to invade Colombia, pave Bolivia, or bulldoze the Andes in order to stop the supply.

A National Institute on Drug Abuse analysis of national drug consumption found that just 10 percent of cocaine consumers consume 51 percent of all the cocaine used in our country. The demand for the drug is driving the supply.

Yet we only have 250,000 public and private treatment slots to help the estimated 2 million of the 6.5 million cocaine and heroin addicts who will seek treatment this year.

Yes, we ought to do everything in our power to encourage other countries from growing, and exporting to our country, illicit narcotics. However, we should also first get our own house in order.

Clearly, we can't win the war on drugs without cutting the demand for drugs. I believe that affordable, available treatment and drug education awareness are the best answers to cutting the demand.

The following editorial makes some very valuable points:

EXPORTING THE DRUG PROBLEM

"This scourge will stop," President Bush declared in his inaugural address. But his own State Department told a different story last week in its latest annual report on the worldwide drug problem.

Everywhere, drug supplies are on the rise. Opium production jumped in Afghanistan and Burma. Cocaine boomed in Bolivia. Marijuana surged in Colombia. The world is awash in drugs as never before.

Despite every indication that supply-side drug enforcement has failed, politicians, fer-

vently demand beef-up eradication and interdiction efforts. Both conservative drug czar William Bennett and liberal Sen. John Kerry, D-Mass., propose sending U.S. troops to Latin America to wage war against peasants and shadowy traffickers. Like Gen. William Westmoreland in Vietnam, they claim to see light at the end of the tunnel—if only Americans will invest more money and more manpower in the drug war.

On one point they do have a case: The United States has never made fighting the drug traffic its absolute, number one priority. As the State Department report admits, "political and economic instability in drug-producing areas around the world have resulted in the subordination of our drug control agenda to other pressing concerns."

True enough. It's no accident that the countries singled out by the Bush administration for sanctions because of their role in the drug trade—Panama, Afghanistan, Iran, Syria, Laos and Burma—are simply those it dislikes for other reasons. Countries no less guilty of fostering the drug trade—Mexico, Colombia, Bolivia, Peru, Paraguay, the Bahamas, Pakistan—win reprieve year after year because of their friendship or importance to the United States.

"The hypocrisy doesn't stop there, however. As the implicated nations quickly point out, Washington demands that they cut supply, even though it hasn't managed to cut U.S. demand, which drives the worldwide market. Congress insists that foreign nations vanquish sophisticated drug armies when it can't even keep Jamaican gangs from taking over the streets of Washington, DC. The administration expects Peru to spray its jungles with deadly herbicides like Spike when the United States won't even use Paraquat on its own marijuana fields. And Americans point the finger at foreign producers of cocaine and heroin when domestic marijuana plantations and PCP and amphetamine labs turn out vast quantities of drugs for the domestic market.

America pays a high price for such hypocrisy. The obvious double standard makes enemies of people throughout the world who feel judged and condemned by an arrogant superpower that won't even get its own house in order. And it blinds Americans to tackling domestic sources of the problem by making easy scapegoats of foreign devils.

Worst of all, it encourages demagogues to rail for an extension of failed drug strategies abroad, regardless of the cost.

The cost is high. The combination of the private U.S. demand for drugs and the official U.S. demand for foreign drug enforcement promotes the growth of organized crime, corruption and violence throughout much of the Third World. Countries like Colombia have lost control of their own fate to U.S.-financed traffickers who murder police chiefs, prosecutors, judges, publishers and politicians with impunity.

The heedless extension of U.S. drug eradication programs in turn pushes desperate peasants into the hands of guerrilla organizations like the fanatic Shining Path in Peru or Marxist FARC in Colombia. These groups represent a challenge to peace and democracy every bit as great as that posed by the traffickers.

In the long run, the United States cannot export its responsibility for solving the drug problem. Americans can only export the problem itself by making the rest of the world pay for our own failure to cope with the social and personal reasons why individuals misuse drugs in the first place.

THE 1989 SCHOLAR ATHLETES—THE NATIONAL FOOTBALL FOUNDATION AND HALL OF FAME

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. MATSUI. Mr. Speaker, I rise today to pay tribute to 19 young men who have been selected as the 1989 Scholar Athletes by the Sacramento Valley Chapter of the National Football Foundation and Hall of Fame.

The young men being honored are to be commended for their outstanding performances both on and off the football field. These students have demonstrated superior academic application and athletic ability, sportsmanship, school leadership and citizenship. I ask that my colleagues join me in saluting Mark Krieger of the University of California, Davis; Rick Pembroke of the University of Pacific; Ken Stinnett of California State University, Sacramento; Robert Blair and Bryon Rockwell of Davis High School; David DeMarco of Woodland High School; Greg Harcos, Greg Quilici and Chris Campbell of Jesuit High School; Kris Johnson of Bear River High School; Mike McCann of Lincoln High School; Mark Parsons and Robert Perry of Bella Vista High School; Laurence Taylor and Allen Woods of Rio Americano High School; Mark Eddy of Delta High School; Jason Hartsfield of San Juan High School; Khari Jones of Center High School; and Woon Park of Fairfield High School; for their superlative achievements.

I would like to pay special tribute to two young men who have demonstrated courage and outstanding scholar-athlete performances in the face of adversity. Michael Morris Gipson and Ernest Rodriguez are to be commended for their dedication and spirit in playing football with only one leg.

Mr. Speaker, I congratulate these young men for their distinguished accomplishments. I know that the determination and drive which they have demonstrated will serve them well in their future endeavors and I wish them continued success.

PEACEFUL RESOLUTION TO THE PROBLEMS IN TIBET

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. SOLOMON. Mr. Speaker, I believe that the reason all of us are here today supporting passage of this resolution is simple. It is to let the Government of the People's Republic of China know, very clearly, that the next few years can hold either great promise or great regret in their relationship with our Nation.

With the election of President George Bush, the Government of the People's Republic of China knows that it has an old acquaintance with whom it can talk concerning any diplomatic disagreements we may have. But its leaders must also know, if they do not already

understand it, that this American President holds a strong commitment to human rights. They must clearly understand that both his views on their policies and the views of this Congress will be heavily influenced by the actions that they take with regard to the rights of the peoples they govern. This influence will be magnified to the extent that they either respect or disregard previous promises they have made under the slogan of "two systems, one country."

Today is the 30th anniversary of the Chinese suppression of the national uprising in Tibet. We all had hoped that those days of martial law and bloodshed had been foreseen by the People's Republic of China. Events now taking place in Tibet, however, point out to us all that they have not. Tibetans are being killed, dragged from their homes, and arrested. Foreign tourists are being prevented from traveling to Tibet and possibly reporting on Chinese police actions there.

If our two nations' relations are to further improve at any level, they must do so on the basis that the Government of the People's Republic of China understands and sincerely respects human rights and the rightful place of democratic institutions in society. While there are signs that that government is aware of the importance we here in the United States place on such respect for human rights, its actions to date to build such respect have not been sufficient.

On the one hand, the People's Republic of China has indicated that it is more actively investigating abuses of human rights by its agencies and police, but on the other, it continues to avoid the talks that the Dalai Lama has offered to hold with its representatives to review and improve the true state of human and political rights in Tibet.

It will simply not be enough for the People's Republic of China to issue stern warnings against dissent and then repress political protests whenever it wishes. Not if it truly wishes to gain the trust of the United States and the rest of the free world.

As economic freedom grows in the People's Republic of China, political freedom will continue to seek its own birth. Such democratic and cultural freedoms will be sought by all of China's peoples, and each time any such striving is met by the kind of repression we are seeing today in Tibet, our two nations' relations will suffer, and suffer greatly.

The Foreign Minister of the People's Republic of China, Mr. Qichen, recently stated that he thought our two nations' relations were very likely to flourish with the election of Mr. Bush to the Presidency. I urge Mr. Qichen and the other leaders of his government to truly give such great expectations a chance to take concrete form. I join my colleagues here today in urging the People's Republic of China to accept the Dalai Lama's offer for a peaceful resolution of the problems that are once again painfully obvious in Tibet.

THE 70TH ANNIVERSARY OF THE AMERICAN LEGION

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. LIPINSKI. Mr. Speaker, I rise today to ask my colleagues to join in recognizing the 70th anniversary of the American Legion.

Founded at a caucus of the American Expeditionary Force, March 15-17, 1919, in Paris, France, the American Legion was chartered by Congress on September 16, 1919.

For 70 years the American Legion has worked to further the interest of veterans and their families, to promote national security, to improve educational and recreational services and to support the expression of American ideals.

The American Legion was instrumental in organizing the U.S. Veterans Bureau. In 1930 this became the Veterans' Administration. It is fitting that this 70th anniversary year is marked by the elevation of the Secretary of the Veterans' Affairs to Cabinet rank.

The American Legion was a leader for the GI bill of rights which has been an essential part of the opportunity provided to our veterans.

The American Legion has also campaigned for increased display of the American flag and for its proper display. Recent events have demonstrated their effectiveness at raising this issue when the American flag has been displayed on the floor for people to walk upon.

The American Legion has been an integral part of American culture and society for 70 years now. The legion has sponsored baseball teams, Boy Scout troops, a national high school oratorical contest, Boys State and Boys Nation.

Mr. Speaker, I would like to congratulate the American Legion on their 70th anniversary and thank them on behalf of our Nation, for their hard work, dedication and service, in war and peace, to the United States of America.

INTRODUCTION OF A BILL TO PROVIDE FOR THE SALE OF THE SLY PARK UNIT OF THE CVP TO THE EL DORADO IRRIGATION DISTRICT

HON. NORMAN D. SHUMWAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. SHUMWAY. Mr. Speaker, today I am introducing legislation to provide for the sale of the Sly Park Unit of California's Central Valley Project to the El Dorado Irrigation District in El Dorado County, CA.

Mr. Speaker, last year the Interior Subcommittee on Water and Power held a hearing that focused on this proposed sale. At that hearing, the El Dorado Irrigation District presented its case for approval of this sale. The CVP Water Users Association has also officially endorsed this sale. It is important to note that no testimony was presented to the

subcommittee in opposition to this proposed sale. Mr. Speaker, I strongly believe it is time for Congress to pass this legislation. The reasons to do so are clear.

First, the Sly Park Unit is operationally separate from the rest of the CVP and that the El Dorado Irrigation District is the sole beneficiary of this unit. For this reason it makes eminent sense to separate the Sly Park Unit from the rest of the CVP financially as well.

Second, at a time when the Federal Government is reducing its involvement in water project construction and operation, particularly for smaller, independently operated projects such as Sly Park, it makes sense both from a fiscal and resource management standpoint for the Federal Government to sell this project to the local user and beneficiary.

In the long run both the county of El Dorado and the Federal Government will benefit from this sale. The sale of the Sly Park Unit will allow the Federal Government to recoup its original investment plus the appropriate interest, and to cease to incur any more operating and maintenance costs—in that sense, Mr. Speaker, by raising Federal revenues this proposal is actually a deficit reduction measure.

On the other hand, from the local perspective, this sale would mean that the Sly Park users would own this facility which they've been operating and maintaining for more than 30 years, and they will cease to incur additional interest costs in the future on a project they are willing to pay off now.

This proposal is consistent with the new generation of water policy endorsed by the Congress with passage of H.R. 6 in the 99th Congress: It places the burden of owning and operating a water project on the local beneficiary—not the Federal Government.

The provisions in the bill allow for the Secretary of the Interior to set the price based on the actual construction costs plus interest on the M&I portions of the project plus Federal O&M costs minus what EDID has already paid under their existing water contracts.

It is our intention in writing the price this way to determine the fair and equitable level which will help the Federal Government recover its investment and allow El Dorado, in essence, to buy out its existing contract.

A LETTER FROM EL SALVADOR

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. DELLUMS. Mr. Speaker, I take this opportunity to share with my colleagues the following letter from Mr. Peter O'Driscoll. Mr. O'Driscoll, a former constituent of mine, is now living in San Antonio Los Ranchos, El Salvador, which is the sister city of Berkeley in El Salvador.

In discussing the capture, torture, and release of Mayor Amadeo Lopez and three others, Peter conveys the reality of life in this and other repopulated communities in El Salvador.

APARTADO 01-34, SAN SALVADOR,
EL SALVADOR, CENTRAL AMERICA,
December 20, 1988.

DEAR FRIENDS. Belated Christmas greetings! I hope all is well with you and your families, and as always I shall be thinking of you at this time. As I learned last year, Christmas is a very different proposition down here. In San Salvador, merchants string up fairy lights and display incongruous snow scenes to attract shoppers, much as they do in the States. But it is such a tiny proportion of the population that can afford to indulge that type of Christmas spirit that the sales pitches here quickly strike one as even more obscene than their extravagant counterparts abroad. As we did last year in Calle Real, we will celebrate Christmas in San Antonio Los Ranchos; there will be a mass, then dancing and some special treat, perhaps chicken tamales or a similar local delicacy. But there will be no trees, no lights, no exchange of beautifully wrapped gifts. This not to make "Perry Como's Christmas with the Poor" sound idyllic and simple; times have been tough in our area lately, and even if the army and the FMLN arrange their traditional holiday ceasefire, all indications suggest that they will get even tougher in the New Year. But Salvadoran campesinos do seem to have a gift for putting together lively "fiestas" in the midst of any circumstance, and it is to just such an affair that I look forward to going back—if I can get there.

Several recent events have conspired to destabilize the position of foreign volunteers in Chalatenango, while threatening in much more serious ways the equanimity of the civilian population there. In my last letter I described the bus journey from San Salvador to Los Ranchos, noting the "game" that is played at the Colima roadblock as one tries to enter the department of Chalatenango. Well, last November 27th I lost! No amount of pleading or patient explanation of the need for Church presence in rural communities would convince the bored but cocky sergeant to let me through. I was forced, fuming, to trek back to the capital. Playing by the same non-rules, I passed through two days later with no problems, in the company of Fr. Dick Howard, S.J., who is regional director of the Jesuit Refugee Service in Central America. However, as we arrived in Guarjila, just down the road from Los Ranchos, we noticed that the village had been militarized, and that there were government troops all over the place. A quick consultation with village leaders confirmed that the soldiers were searching houses, and that it was feared that they might steal food and medicine from the warehouse, as has been done before, on the basis of allegations that the villagers use them to supply guerrilla groups. As a result, people asked that the mass we were going to celebrate in Los Ranchos be moved to Guarjila so as not to leave the village unattended. I then drove to Los Ranchos, inviting the people there to the mass in Guarjila, and within less than an hour several hundred from both communities had gathered and were waiting for mass to begin. The atmosphere was a little tense, but I remember joking with Dick beforehand as I looked over the day's scripture I was to read, Isaiah 11:1-11; "... He will bring justice to the weak, and will proclaim fairness to the poor. His words will bring down the oppressor ...". Strong stuff indeed, the kind of passage Liberation Theologians drool over and simple Salvadoran campesinos look to for hope and an understanding of their situa-

tion. But what would the elite, U.S.-trained "Atlacatl" Battalion think of such subversive talk?

Mass proceeded normally, even as the sound of gunfire on a nearby hillside elicited some worried looks. But as the congregation rose for communion, several intense volleys of machine gunfire from positions only 100 yards from our wall-less, tin-roofed chapel drew some shrieks of panic, as many dropped instinctively to the ground, while others began to scatter in search of cover. This brief disorder was brought under control by a community leader who took the microphone and calmly but firmly told the people to stay where they were. (You must try to understand that these refugees are the survivors of the infamous civilian massacres of the early 1980's, people who cannot forget that it was these same government troops who swept through their homelands, killing and burning, so as to depopulate the region and thus prevent collaboration between civilians and guerrillas. In 1988, I could not imagine that they were firing at us, at mass, in broad daylight. But I have heard enough first-hand stories to know why Salvadorans react that way to gunfire.) "Stay calm, and stay where you are," we were told. "If we are going to die, then we'll all die together." Their unity, born of shared suffering, is the most striking attribute of the people I live with.

The soldiers would later claim that they were firing into the hills, though the villagers, who are of necessity keen observers of the military situation, swear that government troops had already taken the high ground, and that there were no guerrillas in the area. They contend that much of the army's shooting in our area is "psychological warfare," simply for the purpose of intimidating the population. Be that as it may, the intense firing died down within five minutes. Communion was resumed, and we went on to finish the mass. At that point, community leaders convened a meeting and asked their scared but angry constituents if they would be willing to confront the soldiers and ask them to leave the area. Again their unity shone through as the people gathered and walked, amid continued but sporadic gunfire, right up to the biggest group of soldiers, who were crouched in defensive postures behind a low stone wall. Some of these troops were stunned by the sight of several hundred unarmed campesinos demanding to speak to their commanding officer. When this man finally appeared, he was told that the community sought peace and tranquility so as to be able to farm and raise their families, and that military incursions by either side were a contravention of those basic human rights. The officer tried to talk them down, but as the crowd began to chant in unison, calling to some of the soldiers that as sons of campesinos they should lay down their weapons and come work the land, he mumbled something about how they should all go back to their houses, since his unit was leaving anyway in half an hour. Dick and I maintained a respectful distance throughout this exchange, since it is a familiar accusation that foreigners are manipulating and inciting campesinos to insurrection. However, as we all strolled back across a field to the chapel, several shots fired from close range kicked up dirt within 20 yards of us.

The following Friday, December 2, also the eighth anniversary of the murder of four American churchwomen by the National Guard, the president of Los Ranchos was captured by soldiers of the Salvadoran

Fourth Infantry Brigade. Amadeo Lopez, 25 years old, was traveling with three other campesinos and United Nations officials in a vehicle belonging to the United Nations High Commission on Refugees, one of the major sponsoring agencies in the repatriation of Salvadorans from Honduras. Despite the protests of the U.N.H.C.R. representative, the four were taken from the car and accused of being guerrillas. (The names of two of the four were already known to the army because they had been visibly involved in negotiations when the refugees came back across the Honduran border.) Before I go on to describe their treatment at the hands of government security forces, I would like to clarify a point. El Salvador is mired in a civil war in which a significant insurgent force is trying to unseat an apparently democratically elected government. This government thus takes steps to maintain its position, as provided for in the 1983 constitution. The law stipulates that a person may be detained for 72 hours of interrogation, with full respect accorded to his physical and mental integrity. At the end of that period he must either be charged and handed over to civil authorities, or released. A full account of what actually happened to these four would fill many pages (though I could provide it to those who are concerned), so I will focus briefly on Amadeo, since his case is most relevant to Los Ranchos.

From the Colima bridge where the four were captured, they were taken to the Fourth Brigade headquarters at El Paraiso, Chalatenango, separated, and immediately interrogated. Amadeo was stripped to his underwear and severely beaten about the chest and abdomen (fewer visible bruises), at times by one interrogator, at times by several soldiers. Hands tied behind his back, he was hung by a rope passed under his arms and again repeatedly beaten. He was dragged to a sink full of water, where soldiers submerged his face until he passed out. This type of treatment continued for at least 12 hours throughout the six full days that he was held. Most of that time he went without food or water, for even when a soldier tossed him a can of beans, as he lay dazed and naked on his cell floor, he did not have anything with which to open it. One of the four prisoners alleges that during his beating, two men entered the room speaking English, watched for a while, and then left. Since the prisoner was blindfolded, it would be difficult to identify these two, though the most obvious English-speaking residents of that garrison are the American military advisors.

Because I live with him, I know that Amadeo Lopez is not a guerrilla. After 144 hours of beatings, torture, death threats and interrogation, the Salvadoran military could find no scrap of evidence upon which to base a civil case. After two consecutive 72 hour periods they were forced to release him, at which point he was rushed to a doctor for x-rays and medical treatment. Somehow this man found the courage to return to Los Ranchos within a week of his release, to resume his responsibilities as village leader. It seems clear that Amadeo's real crime, in the eyes of the powers that be, was his Herculean effort to organize the 1,000 people in his community to leave Honduras and return to their homeland. It was the government forces that drove them out in the first place, and that now seem to want to intimidate them into leaving again. What do you make of this case? What should Amadeo do under the circumstances,

now that he has been threatened with death if he continues his work as community organizer? What can be done to correct such blatant abuses of his human and constitutional rights?

The people of Los Ranchos and surrounding communities have only one answer to those questions. They feel that they must organize to defend themselves and to publicize their plight. On Monday December 5, 72 hours after Amadeo's capture, several hundred villagers marched two hours to the city of Chalatenango to demand his release. When they reached the roadblock on the outskirts of town, soldiers fired shots over their heads to alert the barracks, and immediately reinforcements came down to close the road and force the villagers to return without even having the grounds for Amadeo's detention explained to them. As the days dragged on and no progress was made towards his release, villagers grew all the more indignant, and resolved to return that Friday, December 9, determined not to be turned back until they reached the barracks where he was being held. Shots were fired over their heads again as they entered Chalatenango, but they pressed on. More soldiers arrived, again firing into the air, but the protesters continued into the city's crowded marketplace, chanting in unison their demand for Amadeo's release. At this point more than 60 soldiers arrived with rope, sealed off the road again, and began to advance on the crowd. A pushing match developed, as villagers shouted that they had a right to know what was going on, while the soldiers tried to force them back. Tempers flared, and the soldiers began to beat protesters with their rifle butts. Frightened merchants picked up their wares and stalls and fled for cover. Finally the soldiers opened fire, first into the air over the marcher's heads, and then into the cobbled streets at their feet. The shooting continued as the crowd ran in disarray, many of the women losing their plastic sandals in the panic and confusion. The soldiers chased them halfway to Guarjila, some of the villagers running despite bruises of wounds they had suffered. When the smoke cleared, one man had a bullet wound in the buttock, eight had shrapnel wounds caused by fragmented bullets and stones from the shots fired into the ground, and more than fifty were bruised or beaten by rifle blows. Because of Amadeo's capture, these protest marches, and heightened military activity in our area, tension is running quite high. People are scared that reprisal measures will be taken against them, but they are more determined than ever to stand their ground in defense of their right to peacefully build their community.

What is going to happen in El Salvador in 1989? Talk on both sides is of intense fighting, further increases in death squad activity, and political violence, and more profound polarization of the extremes of left and right. Where should one stand in such a divided country? Let me try to give you a sense of how poignant, tragic, and seemingly irreparable that division is. Two weeks ago I walked seven hours with over a hundred people from Los Ranchos to the mountain village of Arcatao. Most current residents of Los Ranchos actually lived around Arcatao before the war, but its inaccessibility made it an impractical site for their large-scale repatriation from Honduras. We walked on twisting, overgrown paths littered with shell casings, through destroyed and deserted hamlets, and the closer we got to Arcatao, the more vivid became the reminis-

cences of the villagers, who were after all returning to visit their original homes for the first time in eight years. "Ah, Pedro, so-and-so lived here, but he was killed by the National Guard . . . So-and-so was raped and beheaded down by that stream . . . This is where they murdered so-and-so and left her two-week-old baby still sucking at her breast until we found them the next day . . ." We crossed the Sumpul River about a mile downstream from where 600 campesinos were massacred by the army in 1980 as they fled toward Honduras. I walked with and listened to some of those who had seen it all and survived. How can they be expected to trust or forgive their government after Sumpul, to forget the lost family members and believe that things have changed?

Yet a short walk in San Salvador, even in the poorest neighborhoods, reveals much more the exhaustion, the dispiritedness and the hopelessness of this interminable war than the dogged resolve and clear memories of many rural communities. So many people are just so sick of the poverty, all of which is now conveniently blamed on the "delinquent Communist terrorists," that they seem ready to accept any settlement as long as they're left alone, even with what little they have. Into this atmosphere of quiet despair, the soothing, insidious and ubiquitous propaganda of the presidential electoral campaign seeps, with all its grandiose promises and vague solutions. Those who remember the worst repression of the early 1980's, and who are reminded of it now as things get worse, will never accept the elections as anything more than band-aids on the open sore of corruption and exploitation. But the fatigue level is so high that the "peace at any price" ticket looks pretty good to so many others. Opinion polls reveal that even among those who are going to vote, there is very little faith either in the promises of the candidates or the impartiality of the system.

So where does one stand? Martin Luther King said that one must accept finite disappointment without losing infinite hope. I must admit that hope seems to be in short supply these days. But another great inspiration to me in the midst of all this is the legacy of Oscar Romero, the Archbishop who was martyred in 1980 by the death squads. It is with his Christmas message, from December 25, 1977 that I will leave you. In continued thanks for your help and support, I wish you all the best for the holiday season, and a wonderful 1989.

Peace, Thanks, and God's Blessing,
PETER.

URBAN SLUMS GROWING

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. KOSTMAYER. Mr. Speaker, in the Delaware Valley nearly 20 years ago there were 29,445 of our neighbors living in what sociologists call impacted ghettos.

"Impacted ghettos," as the editorial reproduced below from the March 12 Philadelphia Inquirer points out, are urban slums so wretched that most Americans wouldn't drive through them in an armored truck, let alone live in them.

Less than a decade later in 1980 the number of people living in such neighbor-

hoods in our region had grown six times to 194,730. The trend continued in the 1980's, as nationwide the number of Americans living in urban poverty nearly doubled from 1980 to 1985.

These brutal neighborhoods, so savage and cruel, breed a growing American underclass.

The problem worsens, more and more children of our cities are leading desperate and violent lives while the Government—and indeed society—turns its face away.

[From the Philadelphia Inquirer, Mar. 12, 1989]

ISOLATING THE POOR

THE GHETTOS TODAY ARE WORSE THAN EVER—
AND THE CHANCES OF ESCAPE ARE DIMINISHING

You don't need a doctorate in sociology to figure out that America's continuing prosperity has bypassed its urban ghettos—and that the ghetto poor have indeed grown poorer. One drive through North Philadelphia tells you a lot of what you need to know. But a new study from the National League of Cities provides useful statistical documentation of this alarming trend—and shows that nowhere is the problem more pronounced than here in the Philadelphia region.

Consider this: In 1970 there were 29,445 people in the region living in "impacted ghettos"—the poorest of the poor neighborhoods. These are census tracts where male unemployment, welfare recipients, female-headed households and high-school drop-outs are at least double the norm for the metropolitan area. By 1980 that number had grown to 194,730 people—a rate of increase that outstripped Detroit, Chicago and every other American city.

There can be little doubt that this trend has continued in the 1980s. According to Richard P. Nathan, a Princeton professor who heads the university's Urban and Regional Research Center, the number of American families living in inner city poverty areas nearly doubled between 1980 and 1985—from 884,000 to 1.7 million households.

This business of documenting the "isolation" of poor people—nearly all of them black and Hispanic—into neighborhoods where poverty is rampant is no mere academic exercise. The more densely the poor are grouped, the more likely it is that they will remain poor. This, too, is hardly surprising. Places where failure and hopelessness abound are not good breeding grounds for success.

But why are Philadelphia and Camden outstripping other old industrial cities in the growth of their urban underclass? The League of Cities study has an interesting hypothesis. It compared 15 large, old metropolitan areas and found a striking correlation between the isolation of the poor in ghettos and the decentralization of jobs. The Philadelphia region was on top of both categories. In other words, as jobs—and particularly low-skilled jobs—have moved deeper into the suburbs, the plight of the inner-city poor has worsened.

There are numerous ways to combat this problem, some favored by conservatives, some by liberals. All have merit. The conservatives, led by Housing and Urban Development Secretary Jack F. Kemp, want to create "enterprise zones" in inner-city areas—places where businesses would be allowed to operate in an environment free of many encumbering taxes and regulations. They also favor giving the poor housing

"vouchers" that allow them to rent homes outside the ghetto with the federal government subsidizing the rent.

The enterprise zones are untried at this point and the voucher system—there are now 150,000 in use nationwide—is not working out as planned. Whether through their own insecurities or active discouragement by landlords, welfare mothers have a hard time finding housing in better neighborhoods. That's why the liberals' more traditional remedies—education, job training and housing assistance within the ghettos—cannot be abandoned. Add to that list a greater need for mass transit that can conveniently carry inner-city residents to relatively low-paying jobs in the suburbs.

Whichever strategies one favors, the goal is the same—"to reconnect the ghetto to opportunity," as the National League of Cities report puts it. There is no bigger challenge facing this region today.

IN CELEBRATION OF GREAT LAKES WEEK

HON. ROBERT W. DAVIS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. DAVIS. Mr. Speaker, this week marks the fourth annual recognition of the Great Lakes, the world's largest body of fresh water.

Last year we witnessed a spate of laws in support of the Great Lakes: A Great Lakes loan program to prevent and mitigate damages caused by high water levels; updated maps of the Great Lakes shore; tracking provisions and increased restrictions on the deposition of medical waste in Great Lakes waters; and a preliminary look at Great Lakes coastal barriers. This legislation underscores the importance of the Great Lakes to the Midwest region and the Nation.

This year, the lakes are faced with challenges we have yet to meet, as well as new obligations. The 1987 Great Lakes Water Quality agreement will require greater commitment by the United States to tackle the problem of toxics reaching our lakes from the air, land, water, and from lake bottoms. Great Lakes residents are at greater risk from toxic pollution than many of their fellow U.S. citizens. To protect them, their children, and other living creatures we must clean up the lakes and keep them clean. Our prospects for accomplishing this herculean task are much improved—it was no coincidence that President Bush first proclaimed his status as an environmentalist on the beaches of Lake Erie.

In addition, the State of Ohio may soon be joining the Federal Coastal Zone Management Program—the 30th State to do so—leaving only a few shoreline miles of Great Lakes coast without federally approved comprehensive management plans. It is possible that the addition of Ohio will assist the three remaining Great Lakes States—Minnesota, Indiana, and Illinois—to taking the first steps in closing the circuit in managing the Nation's fourth coast.

The Great Lakes have much to offer the American people—unsurpassed recreational boating and fishing, a fledgling commercial fishery, export opportunities through its ports, wildlife habitat, and endless research capabilities. Therefore, I urge the Great Lakes delega-

tion of both Houses to continue their excellent working relationship and to spread the word that the Great Lakes are great—for everyone.

BUD SHUSTER REPORTS ON CENTRAL AMERICA

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. HYDE. Mr. Speaker, recently some of my colleagues on the House Intelligence Committee—BUD SHUSTER, BOB LIVINGSTON, BOB McEWEN and DAN GLICKMAN—Traveled to El Salvador, Panama, Honduras, and Nicaragua. Upon returning to Washington, BUD SHUSTER wrote an article highlighting his impressions of the factfinding mission.

Central America remains a dominating U.S. foreign policy concern. I, therefore, urge all my colleagues to take the time to read Mr. SHUSTER's cogent analysis of what's happening in this troubled and geostrategically important area in America's backyard.

CRISIS IN CENTRAL AMERICA

(By Hon. Bud Shuster)

In Panama, General Antonio Noriega gives the back of his hand to America, while the Panamanian economy plummets nearly 50 percent. U.S. sanctions spawn Noriega threats against Canal workers, possibly endangering the operational reliability of that strategic waterway, and Cuban, Libyan and Nicaraguan support pours in to prop up the embattled dictator.

In Nicaragua, the Sandinista Communists seductively manipulate world opinion with promises of a cease-fire and democratic freedoms, while their army continues annihilating the Contra Freedom Fighters. The secret police throw leaders of the Democratic Opposition into jail, as Managua remains the nerve center for supporting Marxist terrorism throughout Central America, and the Government blatantly breaks its promise to honor the Esquipulas II and Sapoá Accords.

In El Salvador, a civil war rages between the democratically elected government and the FMLN Communist guerrillas, supported by the Soviet Union through Cuba and Nicaragua. Meanwhile, El Salvador's fragile democracy and beleaguered economy await national elections and the death of cancer-stricken President Duarte.

In Honduras, the U.N.-supported refugee camps bordering El Salvador serve as safe havens from which the FMLN Communists attack El Salvador, while that tiny democracy struggles to meet its international debt payments, reform its state-controlled economy, and remain vigilant against Cuban and Nicaraguan subversion.

What is the U.S.A. to do?

Strategically, Central America clearly is vital to U.S. long term security. A communized land bridge to North America not only will bring totalitarian rule, economic chaos, and Soviet military domination to our southern flank, but also will trigger a flood of millions of refugees into America.

Neither security nor freedom is possible in Central America without the establishment of healthy democracies. There can be no healthy democracies without the elimination of Communist subversion. Nor can progress be made against the drug war. America must support democracies in Cen-

tral America and oppose dictatorships of the Left or Right. That means removing Noriega in Panama and defeating Communism in Nicaragua, along with its guerrilla movements in the other Central America countries.

But how?

President Bush must make Central America a high priority, develop a truly comprehensive plan to deal with the region's problems, and work to build a consensus with Congress. The course of history in our hemisphere depends upon Congress's decision to support or obstruct the Bush foreign policy.

The only place in Central America where the U.S. need consider using American troops is Panama. If economic sanctions and diplomacy cannot bring about Noriega's ouster and the restoration of democracy, our vital interests in the Canal—indeed, the world's vital interests—require that we act. Even the Left in America understands that Noriega has got to go.

In Nicaragua, we must support the Contra Freedom Fighters who were winning battles and thereby forcing the Sandinistas into real negotiations and restraining the spread of revolution throughout Central America, until the Liberals in Congress denied them our support. And we must persuade the region's democratic leaders to say publicly what they tell us privately about the Communist threat to their countries.

In El Salvador, we must continue supporting their war against the FMLN Communist guerrillas, while encouraging free elections and respect for human rights. The world has little noted that the death squads of the Far Right have been drastically curtailed, but the Communist guerrillas continue to kill ten to twenty civilians every month. In 1988, they murdered eight village mayors, but the left in America doesn't seem to care.

This Congressman interrogated an FMLN terrorist who had just been captured attempting to plant a bomb in a hotel. He had two more bombs in his possession and a Russian pistol in this belt. Yet, Nicaragua's Foreign Minister D'Escoto, a suspended Catholic priest, stared us straight in the eye and denied that his government supports the Communist guerrillas in El Salvador even though his own President, Daniel Ortega, has admitted doing so. Moreover, D'Escoto denied that his police incited a riot at a peaceful demonstration by the Democratic Opposition in Nandaime as an excuse to jail their leaders, even though movies of the incident exist; denied that the Nicaraguan economy is based on a Marxist model, even though Ortega has proudly proclaimed Nicaragua a Marxist-Leninist state; and denied that America helped rid Nicaragua of Somoza, even though the Carter Administration withdrew all U.S. aid from the Somoza government and pressured him into leaving the country.

Despite the lies and distortions of the Sandinistas and FMLN Communists, their propaganda is still swallowed by the Left around the world; and sadly, in America, too. Lenin's guidance in Feliks Dzerzhinsky, the father of Soviet Intelligence, still rings true today: "The West are wishful thinkers, so we will give them what they want to think."

Until we face reality, until we see the world as it is, rather than as we wished it were, we will not be able to protect America's future and promote real freedom for our friends.

TRIBUTE TO BETTY JO WATTS

HON. GEORGE (BUDDY) DARDEN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. DARDEN. Mr. Speaker, I would like to submit for inclusion in the CONGRESSIONAL RECORD an article from the March 2, 1989 Atlanta Journal-Constitution which highlights the determination and resourcefulness of my constituent, Ms. Betty Jo Watts. Ms. Watts is not only coming back from a devastating accident, but she is providing opportunities and hope for other disabled people. In the process, she is even helping to ensure more cost-effective government spending. Mr. Speaker, Ms. Watts has demonstrated that perseverance can overcome tragedy and physical limitations.

DISABLED WOMAN'S JOB SEES HER THROUGH LOSS

SHE SEEKS TO HIRE OTHERS WHO ARE HANDICAPPED

(By Connie Cunningham)

Betty Jo Watts, president of Pacific Atlantic Products, has what many people might consider to be a traditionally male job—making heavy-duty cable for military weaponry.

Not only does she handle the job with ease, she performs her duties from a wheelchair.

But the wheelchair is only part of the story.

In 1972, 13 years before a fall from a deer stand while on a hunting trip left Ms. Watts paralyzed from the waist down, her husband suffered a brain-damaging stroke. Faced with mounting insurance bills and supporting her family, Ms. Watts took over her husband's business. She attended night school and learned how to solder and read blueprints.

In 1980, Ms. Watts moved to Austell from Burbank, Calif., and relocated the business in 1982 to West Fork Business Park in Lithia Springs. Before moving, she had given custody of her husband, who died in 1982, to her mother-in-law.

Business was good until she suffered the fall in 1985. Ms. Watt's son, daughter and friends filled the work orders to keep the business going while she began therapy at Shepherd Spinal Center.

From her bedside she would teach her son to read blueprints, and eventually she returned to work.

Ms. Watts discovered that working helped her forget the pain some paraplegics experience.

"This is a lot of my therapy instead of drugs," Ms. Watts said.

Ms. Watts wants other disabled people to join her on the job to help them help themselves by earning a decent wage and gaining much needed self-esteem.

She is seeking government assistance to make her entire workshop accessible to the disabled and to train them in cable manufacturing.

Making cable involves many individual jobs, such as counting, reeling and inspecting wire; soldering; operating a machine that assembles multiconductors into cable; installing connectors onto the cable and putting protective covering over the cable.

Ms. Watts said these jobs are not difficult to learn, and most can be done while sitting. In the past, she has taught a quadriplegic

and two paraplegics various phases of the manufacturing process.

Many times, she said, the financial assistance the government gives to the disabled discourages them from working. They lose their disability payments when they become employed, and often jobs available to the disabled offer meager wages.

"They wind up to a certain extent living day to day, watching TV or something . . . If they were working, they would have something to look forward to," Ms. Watts said.

Lack of adequate transportation also prevents some disabled from seeking a job, she said.

As a member of Total Accessibility for Cobb, an awareness group for the disabled, Ms. Watts has helped convince the Cobb County Commission to equip all its buses in its upcoming transit system with wheelchair lifts.

Despite lack of transportation and decent wages, many disabled are eager to prove they are just as hard-working and dependable as the able-bodied on the job, she said.

By earning a decent wage, the disabled will be paying taxes like other workers. "So it's not like you're really giving them something. They're giving something back," she said.

The government would also benefit another way, Ms. Watts said. Most of her work is done for the Defense Department, and with more employees, she could increase her volume and lower her prices, she said.

Ms. Watts currently employs her son and a few other workers to make heavy-duty and light-duty cable for bombs, missiles, torpedoes, aircraft and computers.

Ms. Watts said she has no qualms about making cable for military purposes. "I figure we need to be prepared as other countries are. Because if we're not prepared, we cannot fight."

Just as important as lowering her price to the military, though, is offering the disabled the opportunity to feel a sense of accomplishment. "You know you're still in the chair, but if you have the self-esteem of going to work, you feel just as good as the next person," Ms. Watts said.

CONYERS INTRODUCES LEGISLATION TO EXTEND AND MAKE PERMANENT THE MARTIN LUTHER KING, JR. FEDERAL HOLIDAY COMMISSION

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. CONYERS. Mr. Speaker, today, a bipartisan group of more than 80 of our colleagues has joined with me in reintroducing H.R. 4443, legislation which passed the House in the 100th Congress to extend the Martin Luther King, Jr., Federal Holiday Commission beyond its current expiration date of April 1989, and make it a permanent Commission.

The Martin Luther King, Jr. Federal Holiday Commission was established in 1984 following enactment of legislation designating a Federal holiday in Dr. King's honor. Its purpose then was to encourage appropriate ceremonies and activities throughout the United States relating to the first observance of the Federal holiday

honoring Martin Luther King, Jr. In addition, the Commission was directed to provide advice and assistance to organizations with respect to the observance of the holiday.

The Commission has encouraged appropriate nationwide ceremonies relating to the observance of the holiday honoring Martin Luther King, Jr., and sponsored activities which educate the American people about Dr. King's values of racial equality and nonviolent social change. It performs an important service by promoting the teachings of Dr. King and coordinating special commemorative events in the United States and many nations around the world.

The Commission is also instrumental in instructing our young people of the dangers of drugs and the importance of education. Children are encouraged to "Live the Dream" of Dr. King and continued Commission efforts are crucial if the program is to succeed.

The worldwide and civil and human rights community needs the Commission's continued coordinated guidance so that the international celebration of Dr. King's legacy may continue.

Reverend King was a brilliant civil rights leader, a distinguished member of the clergy, and a Nobel laureate. His vision of equal rights and opportunity for all people transformed this country and energized social justice movements around the globe. Unfortunately, the impact and the importance of Dr. King's life is being diluted by commercialism and selective memory.

The continuation of the Martin Luther King Federal Holiday Commission will help prevent further distortion in Dr. King's message and will help spread his true legacy to the uninformed. When the Commission first began its work in the fall of 1984, only 19 States observed Dr. King's birthday. This year, however, all but seven States and over 100 foreign countries have made his birthday an official holiday.

This year, because of the efforts of the Commission, millions of American participated in seminars, rallies, prayer services, and other tributes. People of all races, cultures and political persuasions came together in the same spirit of good will and fellowship that characterized Dr. King's life. The Commission has developed and helped to distribute "Living the Dream" pledge cards on which over 2 million people have affirmed their commitment to the ideals of freedom, justice and opportunity for all. In preparation for the third national holiday celebration, the Commission distributed more than 300,000 pamphlets, posters and maps, responded to 5,000 inquiries, and serviced over 135 State and local holiday commissions. The Commission has also published and distributed the new "Living the Dream" newsletter which provides information to King holiday celebrants around the country.

Consistent with the teachings of Dr. King, the Commission participates in projects addressing issues of national concern such as teen pregnancy, drug and alcohol abuse, illiteracy, urban economic development, child abuse, family violence, job placement and counseling, and voter registration.

The Commission has achieved near miracles with minimal private donations and appropriate fund-raising activities, but in order to

fully meet its mandate the Commission's resources needs are much greater than private efforts to day have met.

A small Federal appropriation will enable the Commission to devote its time to carrying out its congressional mandate, rather than exert and exhaust its energies on fund-raising activities.

As Dr. King said when he set the goal in his 1963 March on Washington speech:

When we allow freedom to rein, when we let it ring from every village and hamlet, from every State and city, we will be able to speed up that day when all of God's children—black and white, Jew and Gentile, Catholic and Protestant—will be able to join hands and sing in the words of the old Negro spiritual, Free at least.

We must continue the work of the Commission.

If Martin Luther King, Jr.'s dream is to be a reality, then it must become a reality in the minds of people everywhere. The Commission will make that possible.

On the night before Dr. King was assassinated, he asked a crowd in Memphis to remember him neither for his celebrity nor for his countless awards, degrees and publications. He asked only that he be remembered for leading a committed life. Two decades after Dr. King made the ultimate sacrifice for the betterment of the Nation, we have the chance to offer something in return to this man who gave us all so much.

The challenge remains for us to complete the work that he began. The celebration of his birthday will serve as an annual reminder of the task that lies before us. A permanent Commission will serve the essential role of making sure that Dr. King's life retains its special significance in our lives and memories.

A copy of the bill follows:

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Martin Luther King, Jr., Federal Holiday Commission Extension Act".

SEC. 2. REMOVAL OF TERMINATION.

(a) REMOVAL.—Section 9 of Public Law 98-399 (98 Stat. 1475) is amended to read as follows:

"Sec. 9. The Commission shall continue in existence until terminated by law."

(b) CONFORMING AMENDMENTS.—

(1) FINDINGS.—Paragraph (3) of the first section of Public Law 98-399 (98 Stat. 1473) is amended by striking "first".

(2) PURPOSES.—Section 3(1) of Public Law 98-399 (98 Stat. 1473) is amended by striking "first occurs on January 20, 1986" and inserting "occurs on the third Monday in January each year".

SEC. 3. MEMBERSHIP.

(a) TERMS IN GENERAL.—Section 4(c) of Public Law 98-399 (98 Stat. 1474) is amended to read as follows:

"(c)(1) Except as provided in paragraphs (2) and (3), members of the Commission shall be appointed not later than June 1 of each year for terms of 1 year, and any vacancy in the Commission shall be filled in the manner in which the original appointment was made. Any vacancy in the Commission shall not affect its powers.

"(2) Coretta Scott King shall serve as a member for life. In the event of a vacancy,

her position on the Commission shall be filled by a member of the family surviving Martin Luther King, Jr., not already a member of the Commission, who shall be appointed by the family and shall serve as a member of the Commission at the discretion of the family.

"(3) The 2 members of the Commission appointed as members of the family surviving Martin Luther King, Jr., shall serve as members of the Commission at the discretion of the family."

(b) CONTINUATION OF TERMS OF EXISTING MEMBERS.—The individuals who are members of the Commission on the date of the enactment of this Act shall be considered to have been appointed members for a term ending on the first June 1 that occurs after the date of enactment of this Act.

SEC. 4. REPORTS.

Section 8 of Public Law 98-399 (98 Stat. 1475) is amended by striking the period at the end and inserting the following: "with respect to the most recent observance of the Federal legal holiday honoring the birthday of Martin Luther King, Jr."

SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

(a) AUTHORIZATION.—Section 7 of Public Law 98-399 (98 Stat. 1474) is amended to read as follows:

"Sec. 7. There is authorized to be appropriated to carry out this Act \$500,000 for each fiscal year."

(b) CONFORMING AMENDMENTS.—

(1) EXPENSES OF MEMBERS.—Section 4(d) of Public Law 98-399 (98 Stat. 1474) is amended by striking "subject to section 7" and inserting "subject to the availability of sufficient funds".

(2) PAY FOR STAFF.—Section 6(a) of Public Law 98-399 (98 Stat. 1474) is amended by striking "Subject to section 7" and inserting "Subject to the availability of sufficient funds".

LIST OF SPONSORS

Mr. Conyers, Mr. Regula, Mr. Foley, Mr. Michel, Mr. Ackerman, Mr. Bennett, Mr. Berman, Mr. Bilbray, Mr. Blaz, Mrs. Boggs, Mrs. Boxer, Mr. Bryant, Mr. Campbell, Mr. Clay, Mrs. Collins, Mr. Courter, Mr. Crockett, Mr. de Lugo, Mr. Dellums, Mr. Dixon, Mr. Dymally, Mr. Edwards, Mr. Engel, Mr. English, Mr. Espy, Mr. Evans, Mr. Fauntroy, Mr. Flake, Mr. Foglietta, Mr. Ford of Tennessee.

Mr. Frank, Mr. Fuster, Mr. Garcia, Mr. Gilman, Mr. Gray, Mr. Hatcher, Mr. Hawkins, Mr. Hayes, Mr. Henry, Mr. Horton, Mr. Hoyer, Mr. Jones of Georgia, Ms. Kaptur, Mr. Kennedy, Mr. Kildee.

Mr. Kostmayer, Mr. Lantos, Mr. Lehman of Florida, Mr. Leland, Mr. Levin, Mr. Lewis of Georgia, Mr. Markey, Mr. Martinez, Mr. Matsui, Mr. Mazzoli, Mr. McCoskey, Mr. McDermott, Mr. McMillen, Mr. Mfume, Mr. Moakley.

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DON'T HIKE FEDERAL GAS TAX

HON. BOB McEWEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. McEWEN. Mr. Speaker, the Cleveland Plain Dealer recently ran an editorial by Bob Brown, former assistant director of the Ohio Department of Transportation, regarding a new Federal gas tax. Mr. Brown does an excellent job of pointing out the dangers of using a gas tax for Federal deficit reduction, and I would like to bring this information to the attention of my colleagues.

[From the Cleveland Plain Dealer, Jan. 14, 1989]

DON'T HIKE FEDERAL GAS TAX

(By Robert Clarke Brown)

What do Jimmy Carter and Gerald Ford, Alan Greenspan and Paul Volcker have in common?

They all have found a painless way to put a big dent in the federal budget deficit. If only we would increase the federal gasoline tax by 25 cents, they say, we could reduce the deficit by \$25 billion.

The gas tax is, as taxes go, a popular one. It is a potent revenue generator. And, by discouraging gasoline consumption, a higher tax might even pay a bit of an energy conservation dividend.

Sounds simple, right?

Like most get-rich-quick schemes, this one can't survive a closer look.

Despite the top-down leadership pushing for enactment of a gas tax for deficit reduction, there is substantial opposition to it. And for good reason, say groups like the National Governors Association. The tax would be regressive, hurting the poor more than the rich. It would be discriminatory, exacting more from those who, by virtue of their geographic location, must drive more. And, as a deficit reduction measure, it would be inefficient, depressing economic vitality and thereby producing countervailing increases in federal transfer payments and reductions in federal income tax revenues.

Leading the opposition to the tax are organizations representing every level of state and local government. In addition to the NGA, they include the National Conference of State Legislatures, the National Association of Counties, the National League of Cities and the U.S. Conference of Mayors. In their opposition lies another reason, perhaps the most important, for opposing the tax.

A federal gas tax for deficit reduction would disrupt a long-standing consensus about distribution of responsibilities and resources among the federal, state and local governments. In the American federal system, certain taxes are—either by law or by custom—the province of particular levels of government, and their revenues are linked to particular purposes.

For example, the property tax is a local tax, devoted in large measure to education, historically considered a primary function of local governments. Similarly, the fuel tax has been principally a state tax, levied to support transportation, a major responsibility of state government. In Ohio, that tax has been dedicated by the state constitution to transportation since 1948.

While the federal gas tax is now 9 cents, the average state tax on gasoline is signifi-

cantly higher—14 cents. That is not surprising since, notwithstanding the large federal aid program of the last 30 years, it is, and always has been, the principal responsibility of the states to build and maintain the nation's highway system.

In Ohio, for example, 27,500 miles of highways are eligible to receive federal assistance for construction and capital maintenance (system preservation). To obtain that federal aid, the Ohio Department of Transportation or local governments must provide matching funds. In addition, ODOT and Ohio's local governments fund the full cost of construction and preservation for another 86,000 miles of roads. And ODOT and the locals pay 100% of all maintenance costs for every one of the 113,000 miles of highways, roads and streets in Ohio.

The principal funding source for all of this work is the state gas tax, currently 14.8 cents. ODOT's share of that revenue funds the entire ODOT highway program. Local governments get one-fourth of the fuel tax revenue, and although they typically have to supplement it with their general fund dollars, that revenue pays for much of their road program.

Today, states carrying out their transportation responsibilities face mounting needs. The American Association of State Highway and Transportation Officials estimates that annual highway expenditures by all levels of government need to increase approximately 20%, from \$80 billion to \$95 billion, just to maintain the system we have today. To provide the additional capacity demanded by economic growth, annual expenditures will need to rise to \$117 billion.

The gasoline tax is based on the amount of gasoline purchased, not the price paid for it. Thus, it is not a sales tax, but a user fee. It is levied on taxpayers in proportion to the amount of gasoline they consume—and therefore the amount of driving they do. Those who use the highways more pay more.

The tax's popularity is no accident. Because it is a user fee, taxpayers feel they get what they pay for. If they need to use the road system frequently, they are willing to ante up and pay for that use.

In the early part of this decade, Americans began to recognize that their highway system needed both major expansion and substantial capital maintenance. To meet those needs, in 1982 they supported a 125% increase, from 4 cents to 9 cents, in the federal gasoline tax. Since that federal enactment, they have supported increases in the gasoline tax in 42 states, including Ohio, testimony to the strong political consensus such taxes enjoy when taxpayers are convinced their dollars will be well used.

If the integrity of the user fee is violated, however, that political support is likely to evaporate. When there is no longer a direct link between the amount of tax paid and the amount spent to take care of our transportation system, once-willing taxpayers may balk. And that will create big problems for the states.

In recent years, the Ohio General Assembly, like legislatures in other states, has approved increases in the gas tax to meet those needs. If the federal government preempts this potent revenue source with a large deficit-reduction tax, states are likely to encounter stiff resistance to additional increases. They will be hard-pressed to find the resources to meet their growing transportation needs.

At a time when the nation faces major transportation infrastructure needs, it can

ill-afford to deprive those units of government that have primary responsibility for funding transportation—the states—of their principal resource for meeting those funding requirements, the gas tax.

When Russell Long chaired the Senate Finance Committee, he often enjoyed tweaking supplicants seeking special tax concessions with a little rhyme:

"Don't tax you, don't tax me.

"Tax that fellow behind the tree."

But state and local officials who oppose making a federal gas tax increase aren't looking for a "fellow behind the tree." They are simply facing squarely the major transportation problems that are theirs to deal with.

THE REASONABLE DETENTION OF ALIENS ACT

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. DORGAN of North Dakota. Mr. Speaker, late last summer I read a story in the Washington Post that really disturbed me. The story was about a Salvadoran woman, with three young children, who was detained and sent to jail. The woman was nursing a 6-week-old infant who was suffering from a fever and an infection. The woman was detained when she went into the local immigration office for what she thought would be a routine interview. Authorities were planning to deport her on the next plane back to El Salvador.

This tragic episode took place in what is supposed to be the most humanitarian country in the world, the United States. It upsets me that our immigration service threatens individuals who are seeking refuge in our country to escape oppression and violation of their human rights in such an insensitive way. This woman was no threat to society. She had maintained the same residence for 2 years. She had three dependent children, one of whom she was nursing. Yet the INS arrested her and separated her from her children.

This kind of inhumane treatment of individuals who are seeking refuge in our country should not happen. Today I am introducing legislation that will prohibit the INS from detaining a mother who is no threat to society and who has dependent children under 2 years old. It is my hope that this legislation will contribute to the debate of how our country treats human beings, citizens or refugees seeking protection and freedom.

The legislation I am introducing today is intended only to ensure that we treat people, regardless of their citizenship status, in a decent manner that is due all human beings.

H.R.—

A bill to amend the Immigration and Nationality Act to prevent the unreasonable detention of certain aliens with dependent children.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Reasonable Detention of Aliens Act".

SEC. 2. LIMITATION ON DETENTION OF CERTAIN ALIENS WITH DEPENDENT CHILDREN.

(a) IN GENERAL.—Section 242(c) of the Immigration and Nationality Act (8 U.S.C. 1252(c)) is amended—

(1) by striking "When" and inserting "(1) Except as provided in paragraph (2), when"; and

(2) by inserting at the end the following new paragraph:

"(2)(A) The Attorney General shall not detain any alien described in subparagraph (B) who is deportable under section 241, except in connection with the immediate departure of such alien. The period of such detention shall not exceed a reasonable amount of time based upon the particular circumstances of the alien and his or her dependent children, not to exceed a 24-hour period.

"(B) An alien described in this subparagraph is an alien—

"(i) who is not deportable under paragraph (4), (5), (6), (7), (11), (12), (14), (15), (16), (17), (18), or (19) of section 241(a); and

"(ii) who is the mother of any child in the United States who is not older than 2 years of age and is dependent upon the alien for basic parental care."

(b) EFFECTIVE DATE.—The amendments made under subsection (a) shall apply to any alien subject to a final deportation order on or after the date of the enactment of this Act.

U.S. CHEMICAL INDUSTRY AT CRITICAL CROSSROAD

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. STARK. Mr. Speaker, I believe that the U.S. chemical industry is at an important crossroads. It is in a position to lead the world into the postchlorofluorocarbon era. That we are heading toward the end of using these ozone destroying chemicals is a certainty. The question is, How fast can we move.

I have introduced legislation which has more than 50 bipartisan cosponsors to impose an excise tax on the production of CFC's. This tax will make sure that price is not a factor in producing environmentally sensitive alternatives to CFC's. Currently, alternatives cost roughly triple the price of CFC's. The excise tax is good industrial policy by helping to ensure that U.S. industry is poised for the huge post-CFC market.

And it is a huge market. China alone is getting ready to provide its 1.1 billion people with refrigerators over the next 10 years.

The following article from the Washington Post provides some insight into the world CFC market. It points out pitfalls in trying to reduce CFC production. But most importantly, it points out the opportunities for U.S. industry to move as swiftly as possible to end CFC production.

[From the Washington Post, Mar. 14, 1989]

THIRD WORLD DEMAND FOR CFCs RAISES WORRIES

(By Michael Weisskopf)

In the mid-1980s, Pennwalt Corp. caught hold of Asia's rising expectations. The Philadelphia chemical company agreed to

teach firms in India and Taiwan how to produce a family of gases that had revolutionized life styles in the developed world and promised the same for Asia.

Now, even before the plants have opened, Pennwalt is encouraging the firms in Taiwan and India to convert to substitutes for the gases. An era is over for chlorofluorocarbons (CFCs).

The sales pitch changed along with the scientific consensus on CFCs. Once halloved for their safety and low cost, CFCs have been used as insulation for refrigerators, sterilants for medical equipment, and the infinite variety of plastic foam shapes of a throwaway culture.

In the "have not" nations, a clamor is growing for cheap consumer goods made with CFCs, and CFC manufacturers are under pressure to meet the Third World demand.

But CFCs are now regarded as a major environmental danger, a threat to the band of ozone that encircles the globe and screens out harmful ultraviolet radiation.

That radiation unchecked would be so perilous to life on Earth that most industrial nations and CFC producers, such as Pennwalt, have agreed on the goal—if not the timing—of a total phase-out of production.

As representatives of 124 nations gathered in London last week to discuss the common threat, U.S. and European delegates pushed for a CFC ban by the turn of the century. Forty countries have pledged to halve their production by 1998 in a treaty effective July 1.

But few of the large developing nations have ratified the treaty, and environmental diplomats worry that demand there will more than offset controls elsewhere.

The pact tries to accommodate economic growth pains by permitting Third World parents to increase their use of CFCs to two-thirds of a pound per citizen—more than 10 times current consumption in Asia, Africa and Latin America, but only 27 percent of U.S. per capita use, according to Environmental Protection Agency (EPA) figures.

But a World Resources Institute study showed that if just four countries—China, India, Indonesia and Brazil—reached that ceiling, world use of CFCs would rise 50 percent—even if every developed nation halved its consumption.

Unlike other pollutants, CFCs do not break down in the lower atmosphere. They float 15 miles above ground, disintegrate in the intense solar radiation and gobble up the ozone layer that prevents skin cancer, cataracts, global warming and crop damage. Every one percent depletion of ozone causes an extra 35,000 U.S. skin cancers over 75 years, according to the EPA.

While CFC makers are required by the treaty to halve their production for domestic use, they can boost output for exports by 10 percent annually to satisfy Third World demand and to discourage start-up of CFC plants there.

But CFC makers are being urged to use restraint. Sen. John H. Chafee (R-R.I.) wrote last week to the three major U.S. CFC producers—Pennwalt, E.I. du Pont de Nemours & Co. and Allied Signal Inc.—noting that production by their facilities in nonsignatory nations would "undermine substantially" the treaty.

Irving Mintzer of World Resources said CFC producers should encourage less-developed countries to rely on substitutes.

Pennwalt agreed to sell CFC technology to Indian and Taiwanese firms in 1985 and

1986, before scientists reported growth in the ozone "hole" over Antarctica and the 3 percent depletion over populated parts of Europe and North America. In recent months, Pennwalt has offered a CFC substitute to the Asian firms that is 95 percent less damaging to ozone than the substances they learned how to produce, according to Peter Miller, managing director of Pennwalt's CFC division.

"We're doing everything we can do to get these people to modify their plants," Miller said. The Taiwanese and Indians, he said, are "taking a wait-and-see attitude."

Meanwhile, China has sought to buy CFC technology from Pennwalt, but the firm rejected the request, Miller said. The communist regime in Beijing has promised to equip its population of more than 1 billion with refrigerators by the year 2000.

Du Pont, the world's largest CFC supplier, is considering helping China produce a CFC substitute, said Tony Volgersberg, environmental manager in Du Pont's Freon division. The firm has pledged to phase out production of CFCs by early next century at U.S. plants as well as at subsidiaries in Brazil, Argentina, Mexico, Japan and the Netherlands, Volgersberg said.

He said that while Du Pont will not sell technology for CFCs, it will continue to export the substance to the Third World within treaty limits. "It's necessary to prevent them from building their own CFC plants," he said.

Allied spokesman William Corcoran said his firm will continue Third World exports but will not transfer CFC technology.

At the London conference, China and India called for financial and technological aid from industrial countries as a condition for signing the treaty. U.S. officials have asked the World Bank and the U.S. foreign aid program to consider such aid, according to an EPA official.

WOMEN OF SACRAMENTO

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. MATSUI. Mr. Speaker, I rise today to recognize the celebration of the opening of "Women of Sacramento," an exhibition and awards program honoring the women of Sacramento, "carved out of the past, shaping the present, molding the future." This exhibition is an appropriate tribute to women, past and present, who have enriched the lives of the people of Sacramento by sharing their ideals with the community.

I commend the Sacramento History Center Association and all those who have contributed their time, skills, and dedication to create this exhibition. This exhibition is not only a tribute to these historical and contemporary women, it is also a gift to the people of Sacramento as it further acquaints them with their rich heritage both past and present.

The awards program is endowed with special esteem for it honors 8 modern-day women of Sacramento that personify vision, initiative, determination, courage, philanthropy, steadfastness, heritage, heroism, and match their achievements with those of their foremothers. Their profound sense of integrity and dedication to seeing those principles manifest-

ed in their community has enabled them to transform these ideals into realities.

The honorees include: Sister Claire Graham and Sister Catherine Connell in the vision category for establishing Wellspring Women's Center; Sandra Orizco in the initiative category for founding WEAVE [Women Escaping a Violent Environment]; Barbara Anne Weidner in the determination category for organizing Grandmothers for Peace; Mayor Anne Rudin in the courage category for pursuing good government; Margaret "Mama" Marks for philanthropy with a food-and-clothing program for the needy; Emma Gunterman for steadfastness as an advocate for children, consumers, and low-income people; Beth Murphy Engs for heritage in preserving the historic Rhoades School in Elk Grove; and Mary Tsukamoto for heroism for her work on behalf of Japanese-Americans interned in the United States during World War II.

Mr. Speaker, I can think of no greater honor than to be recognized by your peers and your community for outstanding service. I ask that my colleagues join me in saluting these Women of Sacramento for their history-making achievements and for their significant contributions to shaping the future of Sacramento.

NORTH TRIAL: WRONG MAN, WRONG ISSUE

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. SOLOMON. Mr. Speaker, it is a disturbing fact that some actions by governmental officials have the effect, if not the intent, of treason.

If a future Gibbon ever chronicles the decline of the American Empire he will note that unelected bureaucrats at the State Department managed to undermine U.S. foreign policy to an extent that almost justified suspicions of their motives. A more contemporary chronicle comes to us from Cal Thomas, whose recent syndicated column on the subject was printed in the March 5 issue of the *Saratogian*, in my congressional district.

Mr. Speaker, I would go further than Mr. Thomas by indicting Congress as a coconspirator. But let it be noted for the record that at the same time Marxist thugs are consolidating their tyranny in Nicaragua and preparing to spread their poison to their neighbors, at the same time Congress and the State Department have weakened the United States role in Central America, perhaps irreversibly, one former Marine Corps lieutenant colonel has become the fall guy.

Congress and the State Department, not Oliver North, should be on trial for disobeying orders, subverting the Constitution, and condemning millions to communism.

It is my pleasure to place the Cal Thomas column in today's *RECORD*.

[From the Saratoga Springs (NY)

Saratogian, Mar. 5, 1989]

NORTH TRIAL: WRONG MAN, WRONG ISSUE

(By Cal Thomas)

On the opening day of the Oliver North trial, the New York Times editorialized on why the trial should proceed: "It is the need to uphold anew the principle that even the Commander in Chief has a commander in chief: the law."

A Washington Post editorial the same day said, "If Congress can be defied with impunity by selected parts of the executive branch, then the system does break down."

This was the same New York Times that reported in June, 1979, on the Nicaraguan Sandinistas, "A doctor . . . praised the young rebels. 'They're not Communists,' he said. 'That's a fairy tale that Somoza invented and only the National Guard believes.'"

This was the same Washington Post which wrote just days after the Sandinista-led government took power July 19, 1979, "The new (Sandinista laws) project the new government as highly moralistic, concerned about state security, politically liberal in a social democratic mold."

The Post and the Times turned out to be wrong about the Sandinistas, just as they are wrong in their conclusion about the North trial.

As former Special Assistant to the President for National Security Affairs Constantine Menges has written in his powerful new book, "Inside the National Security Council," it was the State Department, assisted by several spineless people in key positions at the White House, that opened the door to the Iran-Contra affair, for which Oliver North is now the primary fall guy.

In the military, if one defies an order from a superior, one may be court-martialed. In civilian life, disobedience to the boss's instruction can get you fired. But in government, the State Department may disregard, circumvent and countermand the foreign policy of the elected Commander in Chief and suffer no consequences, save the weakening of the presidency and the auctioning of freedom to Communist tyrants in exchange for unfulfilled dreams of "peace."

Naming names, places and dates, Menges documents the cunning and dishonest methods used by everyone from former Secretary of State George Shultz and others on down and indicts them (no one else will) for pursuing a policy of their own in direct violation of specific instructions to the contrary from Ronald Reagan. Menges shows clearly that the foreign policy establishment at State believes no one else better understands how the world should work than they do, and that some career foreign service officers view the president of the United States as simply a caretaker, while State has been endowed with the unalienable right to shape the world as it desires.

Menges reveals how then-U.N. Ambassador Jeane Kirkpatrick had her credibility cut from under her when, in early 1983, she carried a personal letter from President Reagan to each of the friendly heads of state in Central America. Upon returning to Washington, Kirkpatrick learned that Assistant Secretary of State for Latin America Thomas Enders had sent an "eyes only" cable to all the U.S. ambassadors in the region, instructing them to ignore Kirkpatrick

(and by implication, the president), because a new Central American strategy was being prepared and would be passed along as soon as Shultz returned from a trip to China.

There were secret meetings between officials at State and Nicaraguan dictator Daniel Ortega, in violation of procedures that required a review of all such meetings by the president and National Security Council.

Menges tells of elaborate schemes to block meetings of the NSC which, when held, almost always resulted in the president rejecting the policy initiatives of Shultz and the State Department and opting for policies that would advance the cause of freedom and democracy in Central America.

The Menges book is by far more important than the North trial. It provides prima facie evidence that the State Department has been, and is, running and ruining the foreign policy of the United States. It is bad enough that severe damage was done to that policy during the Reagan years. It is even worse that some of those responsible for this shameless and what would in wartime be considered treasonous behavior are now, or will soon be, at the highest levels of the Department of State.

FREE RAOUL WALLENBERG

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. LIPINSKI. Mr. Speaker, I rise today to honor Raoul Wallenberg and to call upon General Secretary Mikhail Gorbachev to tell us the fate of this brave individual.

Raoul Wallenberg is a shining figure from a very dark time in history. He was a man of tremendous courage and imagination. In the closing days of World War II he traveled from Sweden to German-occupied Hungary at the request of the United States. Using every resource available to him as a Swedish diplomat, Raoul Wallenberg saved as many as 100,000 Hungarian Jews from Nazi death camps.

Yet, when the Soviet Red Army swept into Hungary they did not reward or honor Raoul Wallenberg for his valiant and successful efforts. Instead, after Stalin's Red Army entered Budapest, Wallenberg went to meet Soviet officers to get aid for the Jews. They arrested him and he disappeared into the dark world of the gulag.

Mr. Speaker, for 50 years Raoul Wallenberg, a hero of the fight to save individuals and the world from Nazi terror and hatred, has been a prisoner in the Soviet Union.

We do not know Raoul Wallenberg's fate. I call again upon General Secretary Gorbachev to tell us what happened to this international hero. Glasnost is meaningless if we are not told the truth about Raoul Wallenberg.

INTRODUCTION OF LEGISLATION TO PROVIDE FOR CONGRESSIONAL AFFIRMATION OF THE PRESIDENTIAL PROCLAMATION EXTENDING THE TERRITORIAL SEA FROM 3 TO 12 MILES

HON. NORMAN D. SHUMWAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. SHUMWAY. Mr. Speaker, on December 27, 1988, President Ronald Reagan issued a Presidential proclamation to extend the territorial sea from 3 to 12 miles for international purposes.

President Reagan's action extending the territorial sea is consistent with international law and will have important national security benefits. This change, for example, will mean that Soviet surveillance submarines will be 9 miles farther off our coasts; and it will give the United States sovereignty and jurisdiction that extend to the air space over the territorial sea as well as to its bed and subsoil. As a national security and international legal matter, this extension of the territorial sea makes eminent sense.

I am introducing this legislation today to have Congress reaffirm this important action and to ensure that its effect on domestic law is entirely clear. This bill provides that the proclamation will not effect the rights and obligations of States, U.S. territories, or Federal agencies under existing domestic law; for example, following this proclamation the definition of the term "coastal zone" under the Coastal Zone Management Act remains the same with a seaward limit of 3 miles from the shore.

HONORING PROF. PAUL TAKAGI

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. DELLUMS. Mr. Speaker, it gives me great pleasure to honor Prof. Paul Takagi on the occasion of his retirement from the faculty of the School of Education.

I have admired Paul since I have come to know him and his work in the last two decades. Like many in this, and the larger community, we have counted on his knowledge, his training, his wisdom, and his ability to articulate the critical issues and problems about the justice and penal system in the United States.

For all of Paul's apparent dignity and reserve, he was one—the other was Tony Platt—of two faculty members of the School of Criminology who were so threatening that it brought about the elimination of that school by then Gov. Ronald Reagan. The School of Criminology was created after World War II and had a national reputation as one of the best schools in the discipline.

The school was a heady place to be in the sixties because some of the faculty and so

many students were involved in serving the interests of the community and in working toward a just criminal justice system. Many saw the system's racist practices as a prime evil and worked to express these as well as to call for other reforms in the prison system. Paul was active in developing support for civilian review boards and other forms of community-based police accountability.

As I mentioned earlier, this must have been very disturbing. First, they tried to fire Professor Takagi; when that failed, they closed the school. Now, you know that he had to have done something really impressive to warrant that reaction.

As a professor in the School of Education, he continues to serve as a consultant not only on these concerns but also on the training of police personnel in their relations with members of communities other than the white, upper, or middle class.

He is a leading consultant and investigator on the problems of racism within police departments, and has served Government agencies as well community organizations, like the Urban League and the late Supervisor John George, to develop solutions.

When he is not directly threatening the establishment, he is a member of the editorial board of the *Social Justice Journal*—formerly *Crime and Social Justice*—since its founding in the early 1970's. This is the leading progressive journal in criminal justice in the United States.

Professor Takagi is a much honored, beloved, and treasured member of the Asian American community. His incarceration in Manzanar Camp during World War II places him in the heart of the Asian American experience and gives him the personal insight into one manifestation of racism in our culture.

After his release, he worked as a probation officer in Los Angeles County and then as a parole officer in San Quentin. He extended that experience by getting a Ph.D. in sociology at Stanford.

I count myself as one of the fortunate people who have the pleasure and the honor of knowing this man. May he continue to have a spiritually rich and creative life.

HONORING VOLUNTEER FIREFIGHTERS AND RESCUE SQUAD MEMBERS

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. KOSTMAYER. Mr. Speaker, I am pleased to announce today my cosponsorship of legislation which has been introduced by my colleague THOMAS DOWNEY of New York providing a tax credit of \$100 to volunteer firefighters or volunteer rescue squad members.

For nearly 200 years volunteer firefighters have filled a critical need in our communities, Mr. Speaker. This need is especially important in suburban and rural areas like those I represent in Bucks and Montgomery Counties in southeastern Pennsylvania.

Volunteers in communities from one end of my district to the other—from Perkies in the

north, to Levittown in the south, from Yardley and Morrisville in the east, to Warminster and Warrington in the west—are serving their communities in vital ways by fighting fires, providing emergency medical assistance, and taking stricken neighbors to local hospitals in rescue vehicles.

But as the population of many of these suburban and rural communities rises, Mr. Speaker, so does the need for additional volunteers to meet the rising number of emergencies. And the fact is, the number of volunteer firefighters is declining in many communities.

Therefore, along with Mr. DOWNEY and several of our colleagues, I am pleased to cosponsor legislation which will provide a modest inducement for volunteers to serve in these critical rescue and firefighting roles. This legislation, the Volunteer Firefighters Tax Credit Act of 1989 (H.R. 1054), will allow firefighters and rescue personnel to take a \$100 tax credit each year on their Federal income tax returns.

This tax credit is merited, Mr. Speaker, for a number of reasons. First, the contribution made by volunteers saves local townships and municipalities the great expense of funding professional companies to respond to fire and emergencies. Second, volunteers inevitably incur out-of-pocket expenses, for essentials such as clothing, equipment, and transportation, for which they are not reimbursed. The tax credit would help defray these costs.

Mr. Speaker, just as the Federal Government recognized the significant contributions of volunteer firefighters by providing a death benefit for those killed in the line of duty, so I believe the Federal Government can help local communities through this modest tax support for these public safety volunteers. I urge my colleagues to support H.R. 1054, the Volunteer Firefighters Tax Credit Act of 1989.

A PROFILE IN COURAGE

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. DORNAN of California. Mr. Speaker, I would like to share with our colleagues a story of a remarkable woman, a woman who has never allowed her personal tragedy to get the best of her. Verna Thomas was one of the many thousands of Americans who were struck with poliomyelitis in the early 1950's. She lost both her children to the disease and has been confined to a respirator for more than 35 years.

In spite of her disabling condition, she has lived her life spreading happiness and encouragement; she has been an inspiration to everyone who has known her. Surgery has left her without lungs and larynx. The paralyzing effect of polio left her with only limited use of her hands. Yet, she has many visitors and energetically participates in her convalescent hospital activities. She enjoys writing and helps publish the *Bel Vista Newsletter*. She maintains pen pals around the world.

Verna has an insatiable appetite for knowledge and keeps abreast of local, national, and international news. She enjoys sharing opinions and a good debate.

Verna Thomas epitomizes the tens of thousands of disabled Americans who enrich the lives of those around them and have led their lives to the fullest extent possible. Mr. Speaker, I would like to read into the *RECORD* her brief autobiography as written for the March issue of the *Bel Vista Newsletter*. It is a moving story of hope and courage.

Verna Thomas' autobiography follows:

LIFE OF VERNA THOMAS

One brisk nippy day, February 20, 1926, in a red brick hospital located in Northern California, in the small town called Yreka a set of twins were born, first came Vera Rae and five minutes later Verna Fae came into the world. Since our mother was very ill she was unable to go home with us, so our Grandmothers from both sides of the family brought us home to care for us.

Our folks lived on a ranch that had been passed on down for five generations. They raised cattle, sheep, hogs, chickens and turkeys. Our first bed was a large wicker basket and we laid feet to feet. Everything went fine till we started crawling and walking, that's when trouble began. Since we were identical and inseparable we kept everyone busy trying to keep us out of everything.

There was no electricity so kerosene lamps and lanterns were used for light as well as kitchen stove and washing machine. Had cold running water but no hot so it was heated on the stove, till the kerosene stove blew up, and was replaced with a Home Comfort wood stove which had a reservoir on the side to heat the water. Since there was no bathroom we took our bath behind the old wood stove in a galvanized tub. The outhouse had a well worn path running to it and needless to say, in the winter time no one stayed very long, and in the summer time it was rather scary at night, when the coyotes would sing their little song.

Time passed on and one day, about the age of four or five years, we decided we wanted to do some horse back riding, so we found a short piece of barbed wire, climbed over the fence, caught the saddle horse, led him up to the fence, wire around his neck, and we took turns leading and riding him till we were discovered, and that was the end of our ride for that day and some time to come.

Well it was about time to learn the 3R's and the nearest school house was one or two miles from the ranch. The school house had one room in which all eight grades were taught. Just a short ways from the school house there was a small shed where the horses were kept as some of the students rode horse back to school. Our folks took us to school most of the time, but we most always walked home picking wild flowers as we went, and springing traps that the ranchers had set to catch coyotes which were preying on their livestock, till we got caught.

At that time the harvesting and haying were done by horses, but later on our father bought a tractor. Our folks owned a Model T Ford and riding on the running board was a thrill of a life time.

As the years rolled by the small school house that we attended was closed because of lack of students, so we were transferred to another one room school house, and that too had to be closed, so we finished grammar school in the little town of Montague.

All the years we were growing up our Mother made all our clothes and also made bread, butter, canned fruit and vegetables, and cured our own meat. We also learned to

do the same things. We learned to drive the team of horses to feed cattle in the winter, and bring hay from the fields to the barns during haying season. As we grew older we had more responsibilities, like herding sheep and cattle, and since we were taking piano lessons we had to practice two or more hours a day.

When our father acquired a truck, we learned to drive to feed cattle and haul grain sacks in the harvesting season. We liked to dare one another to see how high up the mountain either of us could get before the truck started sliding side ways or started to tip over, or see how many sacks of grain we could pile on the truck and not have any of them fall off on our way to the storage bins.

We entered high school in Yreka during the early Forties, and caught the bus that traveled many miles down out of the mountains and passed the ranch on the way to school, which was another eight miles. World War II was in full swing and we did everything to help the war effort. When vacations came we helped our Father with the haying, harvesting, and took turns driving tractor and tending header on the harvester.

All through school we were in sports, cheer leaders, glee club and also sang and played duets on the piano for different organizations.

We graduated from Yreka High School in 1944 at which time I met a young man who was in the Air Force, stationed in Medford, Oregon. We were married in 1945 at my folk's ranch. In 1946 he was discharged as the war was over and so we packed our grips and loaded our belongings in an old second hand Dodge four door sedan and headed for Milwaukee, Wis. We lived with his folks for a few years of which time our son and daughter were born. In 1949 we again decided to move back to California where we settled in Sacramento. We lived in a modest two bedroom house.

In November of 1951 tragedy struck our little family which changed our lives forever. My two children and myself contracted Polio, my two children died and I was in an Iron Lung for some time. Later a rocking bed and a chest respirator. In 1952 I was transferred by ambulance to the old section of Rancho Los Amigos in Downey, California. That was a trip I'll never forget. When I needed to be suctioned we had to find a service station to plug my suction machine in to use it. As we went through each town or city we had a police escort, which was very noisy to say the least. Before we arrived at our destination my respirator stopped working so it was either sink or swim and I wasn't about to give up, I made it but there was one nurse and two ambulance drivers who were sweating it out since I didn't have any back up.

In 1954 the new buildings of Rancho Los Amigos Respiratory Center, as it was known at that time were finished, so one foggy, cold morning they put us in our chairs, loaded us on an open air truck and transferred us to the new buildings across the highway. In 1958 I was transferred to the Foothill San. located out in the valley. In 1959 I was transferred again back to Rancho because of illness. In 1960 after my lung surgery I was sent to Temple City. I remained there for over two years and problems started to occur with the nursing staff, so I asked for a transfer to Bel Vista in Long Beach. In the mean time while waiting for the transfer, one of the nurses offered to bring me down to see what Bel Vista looked

like and visit with some of the Polios who were already here. Everything went along fine till we started back and got lost in the mountains and my respirator stopped working. Well since there was just us two, my nurse would stop now and then and give me some air by my hand resuscitator then drive on again till we managed to flag down a patrol car to help us through the traffic, but who instead took us to a fire station where we had quite a time trying to convince them that it wasn't oxygen I needed, but for someone to hand pump my resuscitator. I don't think they really understood but any way they finally agreed to have one of the firemen drive her car while she pumped my resuscitator, so with the police car in front of us and a fire truck behind us, we made it back safe and sound. Then in 1963 I was transferred to Bel Vista where I've remained ever since.

Over the years I have made many friends of which I've been very fortunate in being able to keep in touch with over the years.

I want to take this time to thank Eleanor Sanchez for all her help with my ups and downs, and she has become a special person to me.

I also want to thank all the Administrators of Bel Vista for allowing me to have some of my personal belongings in my room, since Bel Vista has been more or less my home away from home, since I have been here for over twenty five years.

A MOVING TRIBUTE TO THREE FALLEN WARRIORS IN THE WAR AGAINST TERRORISM

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. BROOMFIELD. Mr. Speaker, I want to share with my colleagues a memorable and touching tribute paid to three young Foreign Service officers who recently gave their lives in the war against terrorism. These fine men perished, along with many other Americans, in the tragic sabotaging of Pan Am 103 over Scotland. My heart goes out to the families and loved ones of Matthew Kevin Gannon, Daniel Emmett O'Connor, and Ronald Albert Lariviere. Three eagles have fallen, but their dedication and service to country will never be forgotten.

The war against terrorism will not be won in one final and decisive battle. Nor will it be won in the near future. Victory over terrorism will take time, patience, and perseverance. Someday the free world will succeed in isolating the practitioners and containing the ravages of this international menace. Unfortunately, this ongoing struggle will continue to claim the lives of other young men who bravely march forward to defend their nation. This is a price that we must be willing to pay to maintain the freedom that we all enjoy.

I commend my colleagues to the following memorial service eulogy by the Assistant Secretary of State for Diplomatic Security, Robert E. Lamb, at St. Patrick's Cathedral in January of this year. While words can do little to soften the anguish which their families now feel, Mr. Lamb effectively captures the deep commitment which these fine Americans had

to our country, and the terrible tragedy of their untimely loss:

MEMORIAL SERVICE REMARKS BY ASSISTANT
SECRETARY LAMB

For the 1,400 men and women of the Bureau of Diplomatic Security, this is a day of sadness and of irony. The Bureau was born out of our nation's commitment to protect all of the people who would do our nation's work abroad. It is a world in which DS has made a difference. It touches us deeply, therefore, to gather here today to mourn the lives of young men who dedicated their lives to protecting others.

These men represent the highest traditions of government service—America's best Ron Lariviere and Dan O'Connor were special agents. They had survived rigorous screening and a tough examination process to be selected from thousands of applicants for Diplomatic Security. As special agents, they were put through extensive training. Both endured long hours and demanding assignments to prepare them for the future—and their future was bright indeed.

Matthew Gannon was especially close to us in DS. The younger brother of our own Special Agent Richard Gannon, he worked closely with us as a political officer in Beirut, his last post. So on both accounts, we consider him a member of our family.

All three of these men had volunteered for their last assignments, accepting without question, the dangers of their work—and dangerous it is.

The Foreign Service and the Department of State are for many of us like an extended family. But the members of the Diplomatic Security Service share a special bond drawn from the nature of our work, the frequent and difficult travel, the shift work, and the long hours.

Our families are often asked to make great sacrifices to accommodate our jobs. There are too many missed birthdays, and anniversaries; too many occasions when our wives and husbands have carried more than their share of the family responsibilities because we were unable to do our part; too many disappointments for our children when our work made it impossible for us to be there for the special moments in their lives. Our families grow accustomed to the sacrifices and accept them with love and understanding. Today, we are reminded how great those sacrifices can ultimately be.

We can almost count in months the time since these men arrived in Washington to start new careers in government. They left behind the beauty of the California coast, and the charm of old New England. They left behind admiring neighbors, and loving families. They entered a new world enthusiastically and bravely. Now, we can say to them: You have left us for a world we cannot pretend to understand. But you have left behind you here much that is good.

Matthew Kevin Gannon, Daniel Emmett O'Connor, Ronald Albert Lariviere—we are proud of you. We shall miss you.

GROVES IS "MR. BASKETBALL"

HON. BOB CLEMENT

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. CLEMENT. Mr. Speaker, I want to take this opportunity to salute the East Robertson High School basketball team, and in particular

a young man who has worked very hard during the past 4 years. His hard work and dedication culminated in him receiving the highest honor that can be awarded by the Tennessee Secondary Schools Athletic Association.

Carlus Groves of East Robertson High School has been selected as the TSSAA's "Mr. Basketball" for class A basketball teams in Tennessee by a vote of coaches in that division.

Carlus, who has signed a letter of intent to play college basketball with the University of Tennessee, has accomplished numerous goals and gathered respect through extreme personal adversity.

East Robertson principal Mark Stubblefield noted the strength and quality of character Carlus has displayed, saying:

Despite the hardships and personal adversity Carlus has endured, he has fostered an admirable attitude and maintained a positive spirit that has been an inspiration to his fellow teammates, students, the school faculty and administration, and the entire community.

Regardless of the fame Carlus achieves in the future by playing basketball, or in any endeavor, he has already overcome obstacles few peers ever face, and developed a sense of responsibility, character, and pride that will serve him through life's challenges.

Helping lead his basketball team to two State championships was quite a feat, but when you consider the other struggles Carlus has faced, you can understand how his biggest victories were really not on a basketball court.

I sincerely hope every colleague in the U.S. House of Representatives, every basketball fan, and every person who comprehends the true challenges in life, will recognize what this young man has achieved.

I have enclosed a copy of an article from the Robertson County Times providing more details about the award Carlus received. I hope my colleagues will take the opportunity to read about this exceptional young man.

[From the Robertson County Times, Mar. 2, 1989]

EAST'S GROVES STATE MR. BASKETBALL

East Robertson senior Carlus Groves has been selected TSSAA "Mr. Basketball" in Class A by a vote of coaches in that division.

It is the highest honor in the state for a boys basketball player.

"We are extremely proud of Carlus, and this is a great achievement," said East Robertson Coach David Collie.

Groves is the second East player to be named "Mr. Basketball" in three years. Guard Fitz Jones earned the award two years ago.

The Class AA winner is Chattanooga City High's Orlando Lightfoot. In Class AAA, the winner is Darrell Miller of Oak Ridge.

In the girls division, all three winners were from the Midstate area: Collinwood's Mia Daniel in Class A; Cannon County's Julie Powell in AA; and Shelbyville's Misty Lamb in AAA.

Groves is 6-7, 235 pounds and lives in Cross Plains, Tenn.

A University of Tennessee signee, he has scored over 2,000 points in his career and averages 22 points per game and 14.8 rebounds. He has a 62 percent field goal average.

Groves was all-state tournament in 1987 and 1988, and most valuable player in the state tournament in 1988. East has won the Class A state boys basketball tournament in both 1987 (with Jones also) and 1988.

In his three years, East has won 99 games against only six losses.

Collie is extremely proud of Groves' development as a basketball player. "He's gotten mentally tougher since he got here," said Collie. "When he came in our school as a sophomore, there were a lot of little things he needed to work on, and he has."

There's an old saying, "if you're injured, you can't play, but if you're in pain, there are times you have to play," said Collie. "Carlus has certainly improved in that area."

The coach notes that in a crucial game against Page this year, Groves had four fouls early in the fourth quarter.

"Tyrone Dotson (another East player) came to me and said, 'You've got to leave him in, coach.' We did because we had to have him to win. Carlus didn't foul out. He's learned to pace himself to stay in the game."

Collie says that this year has been tough on Groves who has taken a great deal of physical and mental abuse for being a big man, a big star and a UT signee.

"He's taken more than his share of knocks this year," said Collie. "He's done a good job not to retaliate. He's not always perfect, but he's kept himself under control in some very tough situations."

Collie says this year's team is more emotional than Indian teams of the past. Groves has often been in the eye of the storm.

"I was listening to a talk show the other night, and a UT fan said he'd seen the East-Springfield game and was complaining that Carlus was lazy," said Collie.

"I say, watch what Carlus does when the game is on the line," said Collie. "The object is to win, we want to win. We're not preparing Carlus for Tennessee basketball. That's Don DeVoe's job."

Collie says that Groves plays well within his system. Is he the best player Collie has ever coached?

"It all depends on what you mean by 'best,' he's obviously my best big man," said Collie. "Lee Blakemore was a better shooter, Wayne Cook better in the clutch, maybe, Fitz Jones a better team leader."

"But, as a Division I prospect with size and overall ability, he's the best player I've ever coached."

Collie noted that Groves, whose father was killed last spring and whose mother suffers from a stroke, faces many pressures off the court.

"A lot of kids have chores at home, but Carlus and his brother, Thomas, have real responsibilities at home," said Collie. "I admire his ability to handle that. And, it's hard for him because he often doesn't have some family member at the game the way other kids do."

Collie says that Groves' goal was not to win the "Mr. Basketball" title even though he knew he was favored after winning the MVP at the state last year.

"His goal has been for the team to win the state title again," said Collie. "Mr. Basketball hasn't been on his mind. He wants to go back to the state, and why not, it's the only thing he knows."

WHAT I WOULD HAVE TOLD THE HOWARD STUDENTS

HON. LARRY E. CRAIG

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. CRAIG. Mr. Speaker, the election of 1988 proved that Republicans have made great strides in recruiting thousands of new voters. People who traditionally have called themselves "Democrats" have made the switch. They saw the far-left factions dominating their party and contrasted it with our vibrant GOP team and made a simple decision—they defected to a political camp which better represents mainstream American ideals and beliefs. And the Republican National Committee, with Lee Atwater at the helm, is going to carry that message to thousands more.

I only regret that the emotionally charged students at Howard University failed to recognize the things which our party's new chairman and the GOP really represent. And it is their loss. However, I commend chairman Atwater's response to the Howard students which was published in the March 10 edition of the Washington Post. I only hope that the students will take the time to read his message and realize the opportunities our party offers.

Mr. Speaker, I ask that you include the RNC chairman's article to be printed in the RECORD immediately following my remarks.

[From the Washington Post]

WHAT I WOULD HAVE TOLD THE HOWARD STUDENTS

(By Lee Atwater)

On Tuesday I resigned from the Howard University Board of Trustees. I did so with deep regret. The board had honored me with its support, and I looked forward to serving the students and the community as a trustee of this outstanding historically black university.

I must confess that the idea of serving on Howard's board would never have occurred to me. But when Howard President James Cheek informed me that I was a unanimous choice to join that board, I was excited by the prospect—excited because I believed that I could be helpful to the university in fund raising, scholarship endowment, identifying job opportunities for graduates and in scholastic opportunities such as student internships at the White House and the Republican National Committee. I was especially pleased that I could help bring money into a university the overwhelming majority of whose students depend on tuition assistance to get their education.

The fact is, I had a lot to offer Howard, and the idea of serving a distinguished university known for its academic diversity and respect for the free exchange of ideas appealed greatly to me.

Despite what some of my critics say, I did not, as chairman of the Republican National Committee, expect to come to Howard with unanimous support from the student body. But I *did* expect to have a chance—a chance not only to prove my sincerity in reaching out, but also to show that I could deliver for Howard. What I regret most is that I was not given that opportunity.

But I'm also disappointed there wasn't an open dialogue between myself and the individuals who took possession of the Howard University Administration Building to protest, among other things, my election to the board. Many things were said about me and my positions on issues, and with few exceptions they were either totally wrong or completely distorted. I wanted a chance to clear the air, to set the record straight and above all to address the concerns and issues some of the students had raised.

I met with two groups of students when the commotion over my service on the board first began. Both groups, including the elected representatives of the Howard University Student Associations, asked me about the issues that concerned them. They asked about my philosophy on civil rights, about some of the inflammatory things being said about me, and I answered all of their questions. I sought that same opportunity with the student protesters by asking for a meeting with them. Unfortunately, they expressed no interest in meeting with me. Instead, the student associations sent me a questionnaire to answer. I was prepared to comply, but the board and Dr. Cheek thought that it would be inappropriate for me to do so. They were concerned that it would create a precedent for other board members, so I honored their wish. I made it clear, though, that I would sit down with interested parties and—point by point—respond to the issues raised in the questionnaire. That opportunity never materialized.

When the situation at Howard grew more tense, and police were poised to forcibly enter the administration building, I worried about the safety of the students. No matter how important the issue of having my day in court was to me, I did not want someone hurt at my expense. So I resigned, hoping to bring an end to the standoff.

But the message I wanted to deliver to those students—and in fact to all students at Howard—was never addressed. And I'm sorry they missed that opportunity because it was one I think they would have embraced. It was a message best summed up in the platform of the Republican Party, which says: "We support the worth of every person. We support the pluralism and diversity that have been part of our country's greatness. . . . Bigotry has no place in American life. We denounce those persons, organizations, publications and movements which practice or promote racism, anti-Semitism or religious intolerance." Had the students in the administration building been listening, this is also what they would have heard:

I supported the Voting Rights Act extension, and I advised both President Reagan and Sen. Strom Thurmond, who was chairman of the Senate Judiciary Committee at the time, to support it as well. Both of them supported the bill.

I support affirmative action in its traditional sense: affirmative recruiting efforts and other initiatives designed to help the victims of discrimination. Where there is a history of discrimination, the government and the courts should work to help individuals who were harmed, but not by extending broad-based preferences based solely on race or sex. I have, in fact, instituted a voluntary program to bring more minorities and women into the RNC in leadership roles.

I oppose apartheid in South Africa as morally bankrupt. I support an immediate end to it and the establishment in South Africa of democratic majority rule.

Literature asserting that I opposed the 1964 Civil Rights Act is wrong. When that historic legislation was debated and approved by Congress, I was in the seventh grade.

Regarding to the so-called Willie Horton issue, let me be clear: the ad in question was an independent and unauthorized effort. In fact, Campaign Chairman James A. Baker III and I both wrote to the group responsible for it demanding that it be discontinued. But the issue was never Willie Horton the man. It was the program that allowed him and other convicted murderers out of Massachusetts' prisons for unsupervised weekend furloughs after being sentenced to life without parole. This program, which Gov. Dukakis strongly supported, made no sense. The idea of allowing a convicted first degree murderer with no chance of parole to leave prison on weekends violated common sense, not to mention the precepts of the criminal justice system. The issue is especially relevant because only Massachusetts allowed furloughs for convicts serving life without parole terms. It should also be noted that the Massachusetts prison furlough issue was first raised during the Democratic primaries by Sen. Al Gore, who criticized Gov. Dukakis for supporting the program.

Finally, I wanted to make it clear that I share the vision of George Bush spelled out in a speech last year to the NAACP. "Who we are as a people can be measured by how we uphold and defend the rights of all," he said. "And it is our willingness to respect and uphold these rights—even when it is difficult—that sets America apart from every other nation on Earth."

I leave the Howard board with no bitterness. In fact, the situation has only strengthened my resolve to continue reaching out and to move forward with my efforts to broaden the base of the Republican Party. We have a good message—a message of equal opportunity and strong values that are shared by all Americans. The Howard incident served only to underscore what I already knew: while the road toward broadening our party may be bumpy, it is a road we must travel nonetheless.

SENIORS SHOULD BEWARE OF HUCKSTERS TRYING TO SELL TAX EXEMPT BONDS TO AVOID MEDICARE SUPPLEMENTAL PREMIUM

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. STARK. Mr. Speaker, seniors across the Nation are being flooded with solicitation from investment "advisers," who are more than not, giving very bad advice. These hucksters are trying to scare seniors into believing that they will all owe enormous amounts of money under the new Medicare supplemental premium.

Not true! Most seniors will owe nothing. The average supplemental premium among the 40 percent of seniors who will pay something is

less than \$300 per year, and less than 10 percent of all seniors will pay the maximum.

Does it make sense for seniors to switch their investments out of taxable securities and into tax exempt bonds? In the overwhelming number of cases, it does not! Especially when one factors in the finance charges of these "advisers."

Following is a good analysis from the March 20, 1989, issue of *Forbes*. As the headline on the article says:

Should you go into municipal bonds to avoid the new 15 percent Medicare surtax? Probably not, unless you should have been in munis to begin with.

The full article follows:

MEDICARE TAX

(By Ben Weberman)

To judge by the letters that come in from subscribers, a lot of bond salesmen are out there pitching municipals as a way of avoiding the new Medicare surtax. But the case for munis on those grounds is weak. Look closely at the numbers before you buy the argument.

The surtax, which runs as high as \$1,600 a year for a couple, is hardly heavy enough to justify a radical change in investing philosophy. In effect, the 15 percent supplement adds about 4 percentage points to the marginal tax rate for someone in the 28 percent bracket. How serious is another 4 percent tax on your return from a bond? Not too serious. On a taxable 9 percent Treasury it docks less than 0.4 percent from your yield. Probably not enough, in short, to make a critical difference in whether the Treasury is a better deal than a municipal.

The surtax arrived via the Medicare Catastrophic Coverage Act of 1988, which increased the premium by an extra \$4 a month for catastrophic-illness coverage. According to the American Association of Retired Persons, about 40 percent of Medicare enrollees who pay federal income taxes will be affected by the surtax, which is 15 percent of the regular income tax bill, up to a maximum surtax of \$800 per person. The ceiling is reached when an individual's tax passes \$5,350 or a couple filing jointly has tax of \$10,650 or more.

Remember, the supplement is based on tax, not on taxable income. According to Arthur Andersen, an individual must have taxable income in 1989, after all deductions, of about \$27,700 to pay \$5,350 in taxes. A couple—both enrolled in Medicare—would have to have taxable income of \$52,400 to escape the reach of the surtax. The surtax goes into effect for the 1989 tax year, with tax due in April of 1990.

There is, to be sure, good reason for certain investors to buy municipal bonds. If you're in the 28 percent or 33 percent bracket and are buying long-term bonds, you will get a better yield on a high-grade muni than on a Treasury. The long Treasuries are paying 9.2 percent, or 6.6 percent after federal tax. Good-quality long munis, by contrast, pay 7.5 percent or better.

How does the surtax change the picture? Slightly in favor of the muni. The surtax turns the 28 percent bracket into 32.2 percent. It doesn't do anything to people in the 33 percent bracket, since that bracket begins after the Medicare surtax leaves off. A couple will have to have taxable income above \$74,850 in 1989 to be in 33 percent territory. But their surtax obligation is over after they've crossed the \$52,400 mark.

How about investors who are afraid of rising interest rates and therefore prefer short-term bonds? In most cases they're better off in Treasuries, whether they are in the 28 percent, 32.2 percent or 33 percent brackets. The three-year Treasury, for example, is paying over 9 percent—even better than the long Treasury—while three-year muni paper is in the 6.4 percent area.

For the longer maturities the advantage to tax-exempts is still there, but smaller than it once was. George Friedlander, managing director of municipal research at Smith Barney, notes that yields on 10-year, 20-year and 30-year tax-frees are low relative to yields on similar maturity Treasuries—lower, recently, than since early 1987. Supplies of munis are curtailed and demand is high. But even at these levels, municipals are attractive in terms of their current aftertax yield.

Once caution is in order, however. If the yields on munis, relative to Treasuries, revert to their historical norms, then the market value of those munis will suffer (again, relative to Treasuries). What we have here is the inescapable fact that a rise in yield creates a fall in market value. In short, don't buy munis if you think they will once again become as plentiful (in relation to demand) as they once were.

State and local bonds that carry a full faith and credit obligation pay 7 percent for the 10-year maturity. That compares with 9.3 percent on 10-year Treasuries, equal to an aftertax return of 6.7 percent for anyone in a 28 percent bracket or 6.2 percent for a 33 percent taxpayer.

At the 20-year maturity range, the general market insured tax-exempt pays 7.7 percent, while the Treasury carries a yield about the same as on a 10-year. This is even more advantageous for the municipal bond investor. But it's also riskier for the muni buyer. If rates on munis do rise a bit relative to Treasuries, the market value loss will be the worst for the longest bonds.

Friedlander says that the benefits of tax-frees are even more apparent for investors in high local tax states, such as New York and California. Historically, this benefit has caused bonds of such states to sell at yields substantially less than those on general market names. Recently, because of supply increases, bonds from high-tax states have been available at rates not much lower than those elsewhere. Indeed, 20-year New York issues now pay the same as 20-year bonds of other states.

In short, munis may or may not be good for you, but whether they are depends more on what maturities you are looking at than on whether you are affected by the Medicare surtax.

NATIONAL DAY OF RECOGNITION OF THE POLISH ARMED FORCES OF WORLD WAR II

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. LIPINSKI. Mr. Speaker, I rise today to ask my colleagues to join in supporting House Joint Resolution 147 to designate September 1, 1989, as "National Day of Recognition of the Polish Armed Forces of World War II."

On September 1, 1939, the armed forces of Adolf Hitler's Third Reich overwhelmed the Polish frontier and ignited World War II. Polish

soldiers fought valiantly against this onslaught before capitulating. Over 66,000 Polish men and women died. Over 500,000 were taken as prisoners of war. Those who escaped distinguished themselves in numerous battles fought in North Africa and Europe, including battles at Tobruk, the Falaise Gap, and Monte Cassino.

We all owe a debt of gratitude to these courageous Poles. Their sacrifice at the beginning of the war, and their tenacious struggle during the entire war, provided inspiration for the triumphs against fascism which followed.

The recent revelations, now clear even to the Polish Government, of the massacre of Polish officers by Soviet troops during World War II give us further reason to recognize the heroism of the Polish Armed Forces. Just last week the Polish Government finally admitted it was Stalin's army that in 1941 massacred thousands of Polish officers being held in prison camps inside Poland. The Polish people have known this for years. Solidarity erected a monument to those killed in the Katyn Forest. The monument was removed by the Government in 1981. The Soviet Union, to this day, asserts against all evidence that the Nazis were responsible for the massacre.

Mr. Speaker, this legislation is in tribute to those valiant defenders. I am pleased to be a cosponsor of this bill and call upon my colleagues and all Americans to join me in recognizing the valor and sacrifice of the Polish Armed Forces of World War II.

DAVID A. LINDEMAN HONORED

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. DELLUMS. Mr. Speaker, in recognition of the Sixth Annual Awards Dinner of the Over-Sixty Health Center in Berkeley, CA, held February 11, 1989, I would like to memorialize the center's tradition of honoring those who have contributed to the health and welfare of older people.

The outstanding services award is given to David A. Lindeman, D.S.W., director of the Northern California Alzheimer's Disease Center and a senior analyst at the Institute for Health and Aging, University of California, San Francisco. Dr. Lindeman received his D.S.W. in gerontology, health planning, and research methods from the University of California, Berkeley, in 1987. He is a recipient of a number of fellowships among them the Pew doctoral fellow; Regents Fellow University of California, Berkeley; and the Jake Piltner Award. Aside from various memberships in different associations Dr. Lindeman has authored and coauthored over 20 publications on Alzheimer's disease and related dementia, and health planning and long-term care for the aging.

In honor of the late John George, member of the board of supervisors, Alameda County, CA, who worked diligently with the senior community on vital issues affecting the aged, the John George Community Service Awards is bestowed on Rose L. Burrus, community activist, advocate for long-term community

care and who worked closely with Supervisor John George to develop the Alameda County Mental Health Advisory Commission; Helene London, one of the founding members of the Over-Sixty Health Center and advocate for elderly programs; and Isabel Van Frank, honorary member of the board of directors in Alameda County, one of the cofounders of the Alameda County Ombudsman Program and the Over-Sixty Health Center and a long time advocate for the poor and disenfranchised.

NATIONAL RURAL HEALTH CARE ACT (H.R. 950)

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. ROYBAL. Mr. Speaker, for far too long, this Nation has taken a piecemeal approach to meeting America's rural health care needs. As more and more reports come in detailing the growing problems with America's rural health care system, Congress must move quickly to develop a coherent and comprehensive Federal policy such as that detailed in our National Rural Health Care Act. The time has come for Federal, State, and local governments and the private sector to join forces to both develop and fund an American rural health care system.

That is why I and my colleagues introduced the National Rural Health Care Act on February 9, 1989. Joining me in introducing the bill were Representatives IKE SKELTON, WALTER JONES, ROBERT GARCIA, CHARLES WILSON, WALTER FAUNTROY, JOHN LEWIS, ROBERT KASTENMEIER, CLAUDE HARRIS, ROBERT ROE, MERVYN DYMALLY, CARL C. PERKINS, CHARLES RANGEL, NICK JOE RAHALL, GREG LAUGHLIN, JIM JONTZ, ROBIN TALLON, MATTHEW MARTINEZ, VIC FAZIO, STEVE GUNDERSON, MARTIN LANCASTER, CHARLES HATCHER, HARLEY STAGGERS, E DE LA GARZA, THOMAS FOGLIETTA, ROBERT MRAZEK, BILL RICHARDSON, CHARLES RANGEL, and BEN NIGHTHORSE CAMPBELL.

For several years, the committee and its task force on the rural elderly headed by Representatives MIKE SYNAR and TOM TAUKE have focused attention on the special problems facing poorer and older rural Americans and have been deeply concerned over the state of America's rural health care system. That examination, coupled with a hearing by the committee and its task force on the rural elderly in 1987, convinced us that rural communities, as is the case in our central cities, are in desperate need of assistance when it comes to health care. Many communities experience great difficulty recruiting health professionals. Many rural hospitals are closing or are in jeopardy of closing. Many needed health services—including disease prevention, mental health care, skilled nursing home care, home health care—are often not available in rural areas.

Providing health care to rural Americans has been a difficult problem throughout history. This problem results from a combination of factors: longer travel distances, insufficient numbers of quality health care providers,

lower incomes in general, higher rates of being uninsured, and higher proportions of the elderly and poor. In recent years, most policy-makers have come to agree that the problems of health care in rural America are substantial and appear to be growing.

Given the problems facing Medicare and Medicaid beneficiaries living in rural America, there is an urgent need to strengthen the rural health care system so that beneficiaries can fully access the benefits of these two programs. No Medicare or Medicaid beneficiaries should face limited access to critically needed care just because they live in rural America. With all the health care problems facing rural Americans, there is no doubt that we need to quickly develop and finance an American rural health care system. However, this cannot be done in isolation, but must be done in the context of what we have yet to do in urban areas as well.

No longer should we sit by and allow large numbers of Americans to lose access to vital health services. Now is the time, through the introduction of the National Rural Health Care Act, for us to send a message that the Federal Government will play its rightful role in ensuring health care access in both urban and rural communities.

Mr. Speaker, I ask that the bill description be included in the RECORD.

NATIONAL RURAL HEALTH CARE ACT OF 1989—
H.R. 950

TITLE I: MEDICARE PROVISIONS

Sec. 101. Prospective study of rural hospital payments

The Prospective Payment Assessment Commission is to conduct a study of what should be "reasonable" hospital costs paid by Medicare. This study should also examine the role of Medicare with respect to charity care for non-Medicare recipients. The study is due on January 1, 1991.

Sec. 102 and 103. Development of medical care access facilities (MedCAF) and uses for underutilized hospital bed capacity

Hospital bed transition funds would also apply to the development of MedCAFs and would apply whether the hospital is to be closed as a hospital or the hospital is to be restructured. MedCAFs would be eligible for an additional \$200,000 development grant to serve as an incentive to either a) transition hospitals or b) create MedCAFs in communities without a hospital, but with documented need. Authorized funding is \$30 million for 1990, \$40 million for 1991 and \$45 million for 1992.

Eligible sites are required to be in 1) a rural medically underserved area (MUA), 2) a frontier service area (less than 6 persons per square mile; distant (more than one-half hour travel time) from city of 5,000 or more; minimum of 500 square miles) or 3) a small rural county (less than 20,000).

MedCAF is a facility which provides ambulatory primary, emergency, urgent, and surgical care, provides basic inpatient care with up to 10 inpatient beds and provide ancillary services including radiology and laboratory) in frontier areas with populations between 1,000 and 5,000. The Secretary of the Department of Health and Human Services may waive the minimum and maximum populations qualifying for MedCAF designation when the geographic area is similar in character to the MedCAF areas defined above. The maximum number of days allowed per hospital stay is 2 days (48 hours)

with an exception process, through the Peer Review Organizations (PRO), for allowing additional days. Each MedCAF is required to have an approved quality assurance plan. MedCAFs are required to accept both Medicare and Medicaid patients.

Reimbursement for hospital care in a MedCAF will be by DRGs tied to a cost-of-doing-business index (e.g., index should take into account higher overhead costs and/or stand-by capability). Reimbursement for care provided in the inpatient setting by a physician assistant and nurse practitioner is covered as long as care is provided under the supervision of a physician.

Standards for the ambulatory care part of the MedCAF are to be determined by the Secretary in consultation with appropriate provider and consumer organizations.

Multi-component technicians may be used to staff the emergency room, conduct basic laboratory tests and take basic x-rays. Standards for multi-competent technicians would include the qualifications for an Emergency Medical Technician plus the demonstration of competency based upon on-the-job-training, an approved training program or a mix of both.

Reimbursement for emergency visits will be by combination of fee-for-service (determined on the basis of a relative value scale) for the care by a physician, physician assistant or nurse practitioner and cost-based for facility. Reimbursement for primary care will be by fee-for-service determined on the basis of a relative value scale. Reimbursement for care provided in the ambulatory setting by a physician assistant and nurse practitioner is covered as long as care is provided under the supervision of a physician as per an individual State's practice act.

Sec. 104. Rural Health Clinic Program

Existing Rural Health Clinic Program.—Under the current rural health clinic program, changes are made to lower the physician productivity standard to 2.6 visits per hour and to lower physician assistant and nurse practitioner productivity standard to 1.3 visits per hour. Rural health clinics are eligible for rural health assistance scholarship recipient placements and loan forgiveness if they meet the standards for placements and loan forgiveness. In addition, they are required to accept both Medicare and Medicaid patients. Effective date is January 1, 1990.

Rural Health Clinic Demonstration Program.—In addition to the current rural health clinic program, there is a new, optional demonstration program for which existing rural health clinics may also qualify as of January 1, 1990. The demonstration program follows the same rules as the current rural health clinic program with the following exceptions:

Clinics are paid on a prospectively set, relative value fee schedule for primary care procedures only. The fee schedule is tied to a cost-of-doing-business index (e.g., index should take into account higher overhead costs, 24-hour coverage, stand-by capability).

Additional services are covered including "early detection" procedures, services by nurse practitioners and physician assistants, health education and health risk reduction services.

Clinics are eligible for rural health assistance scholarship recipient placements and loan forgiveness if they meet standards for placements and loan forgiveness.

Clinics are required to have a minimum of 40% of clinic time covered by physician assistants or nurse practitioners, certified

nurse midwives or clinical nurse specialists. This minimum may be waived, subject to annual review by the Secretary, if the clinic demonstrates to the satisfaction of the Secretary that the clinic has been unable, despite diligent efforts, to recruit the above practitioners.

The physician productivity standard is lowered to 2.6 visits per hour and the physician assistant and nurse practitioner productivity standard is lowered to 1.3 visits per hour. The Secretary of the Department of Health and Human Services has the authority to lower productivity standards in areas of low population density.

Clinics are eligible for start-up Medical Practice Development Grants.

Sec. 105. Rural Medical Practice Payment (effective January 1, 1991)

In setting payment rates for rural medical practices, the rates are to utilize a cost-of-doing-business adjustment (incorporating differences in physician cost, nurse cost, utilities, equipment and supplies, capital costs) in each payment category. Also, provide a separate adjustment on a per payment basis for providing the capability (24-hour on-call coverage and "down-time" in low volume areas).

Additional changes in payments for rural medical practices include: (a) paying at the same rate for the same type of urgent/emergency visits provided at either the hospital emergency room or a physician's office while allowing hospitals to bill for the overhead costs they can currently; and (b) paying for an after-office-hours phone call for the purpose of triaging patients.

Sec. 106 and 107. Rural Nursing Home and Home Health Payment (effective January 1, 1991)

Rural nursing homes are given the option to be paid on a prospectively set "daily rate" schedule, designed by the Secretary of the Department of Health and Human Services, in consultation with nursing homes and consumers, which varies by type of patient and is tied to a cost-of-doing-business index (e.g., index should take into account higher overhead costs and/or stand-by capability).

Sec. 108. Rural Health Care Research and Demonstrations (effective October 1, 1990)

The Health Care Financing Administration is directed to increase research into how the Medicare and Medicaid programs could be changed to better cover care for rural residents.

Sec. 109. Nurse Reimbursement incentives (See later section.)

TITLE II: MEDICAID PROVISIONS

Sec. 201. Medicaid eligibility at 100% of Federal poverty level

In order to ensure improved and uniform access by lower income rural and urban residents, Medicaid eligibility is changed to cover all people whose incomes are at or below 100 percent of the federal poverty level. (Effective January 1, 1991)

Sec. 202. Medicaid rural payments (effective January 1, 1991)

Rural Medical Practice Payment Rates (Effective January 1, 1991).—When States set payment rates for rural medical practice payment rates, the rates utilize a cost-of-doing-business adjustment (incorporating differences in physician cost, nurse cost, utilities, equipment and supplies, capital costs) in each payment category. Also, provide a separate adjustment on a per pay-

ment basis for providing 24-hour on-call coverage and "down-time" in low volume areas. In general, the Secretary of the Department of Health and Human Services is to develop an appropriate system and to provide a reasonable incentive to practice in rural areas.

Additional changes in payments for rural medical practices include: (a) paying at the same rate for the same type of urgent/emergency visits provided at either the hospital emergency room or a physician's office while allowing hospitals to bill for overhead costs they can incur; and (b) paying for an after-office-hours phone call for the purpose of triaging patients.

Rural Nursing Home and Home Health Payment Rates (Effective January 1, 1991).—Rural nursing homes are given the option to be paid on a prospective set "daily rate" schedule, designed by the Secretary of the Department of Health and Human Services in consultation with States, nursing homes and consumers, which varies by type of patient and is tied to a cost-of-doing-business index (e.g., index should take into account higher overhead costs, stand-by capability).

Sec. 203. Payment for medical care access facilities (MedCAF)

MedCAFs can be covered by Medicaid as under Medicare. (Effective January 1, 1991)

Sec. 204. Direct nurse reimbursement

(See later section.)

TITLE III: PRIVATE HEALTH INSURANCE PROVISIONS

Sec. 301. Deductibility of private health insurance (effective after December 31, 1990)

Health insurance for self-employed individuals, small businesses and farms is fully deductible under the same rules as for larger businesses.

Sec. 302. Health insurance pool

Within 18 months, the Secretary of Health and Human Services, in consultation with insurers, small businesses, farmers, and consumers, is to develop a proposal for creating a self-financing insurance pool for individuals and small businesses and farms which have difficulty finding affordable private insurance.

TITLE IV: HEALTH CARE SYSTEM DEVELOPMENT PROVISIONS

Sec. 401. Office of Rural Health Care

The Office of Rural Health Care is to be located in the Office of the Secretary of Health and Human Services.

Sec. 402. State Rural Health Block Grants

State Rural Health Planning Grants.—Health planning grants are to be made available to States in order to develop rural health access plans. The formula for distributing available funds among the States is tied to ratio of non-MSA population in a State to non-MSA population in the U.S. population. The minimum for a grant is \$100,000. Authorized funding is \$20 million for 1990, \$21 million for 1991 and \$22 million for 1992.

Emergency Medical Services.—A separate rural Emergency Medical Services (EMS) block grant is established. In order to receive funding under the rural EMS block grant, the State is required to have an acceptable state rural health plan. Funding is available for start-up costs for transportation and communications and ongoing costs for uncompensated trauma care and transportation. The formula for distributing available funds among the States is tied to ratio of non-MSA population in a State to

non-MSA population in the U.S. population. The minimum for a grant is \$1,000,000. Authorized funding is \$150 million for 1990, \$156 million for 1991 and \$160 million for 1992.

Sec. 403. Medical Practice Development Grants

Medical Practice Development Grants for solo and group practices, rural health clinics and MedCAFs are to be made available to increase health care providers serving underserved rural areas.

Medical Practice Development Grants—Solo and Small Group Practices and Rural Health Clinics.—Rural Medical Practice Development Grants are to be available for solo and small group practices. These grants (for training, supplies and equipment) are for practices which increase access to primary care and provide 24-hour urgent care. Grantees are required to accept Medicare and Medicaid patients. For solo and small group practices, start-up grants are up to \$20,000 coupled with annual grants of \$1000 and the total authorization is \$6 million for 1990, \$7 million for 1991; \$5 million for 1992. For Rural Health Clinics, authorized funding is \$20 million for 1990, \$30 million for 1991 and \$30 million for 1992 and start-up grants are available as follows:

Frontier areas: These areas are eligible for start-up grants of up to \$120,000 for operations (maximum of 25% of grant), training, supplies, equipment and facility. A 25% match is required from the local area or the State. Also, clinics are eligible for annual non-matching grants of \$1000. Eligible sites are required to be in a frontier service area (less than 6 persons per square mile; distant (more than one-half hour travel time) from a city of 2,500.

Rural counties (non-frontier): These areas are eligible for start-up grants of up to \$120,000 for operations (maximum of 25% of grant), training, supplies, equipment and facility. A 75% match is required from the local area or the State. Also, clinics are eligible for annual non-matching grants of \$1000. Eligible sites are required to be in a small rural county (less than 20,000).

Medically Underserved Areas (MUA): These areas are eligible for start-up grants of up to \$120,000 for clinic operations (maximum of 25% of grant), training, supplies, equipment and facility. A 25% match is required from the local area or the State. Also, these clinics are eligible for annual non-matching grants of \$1000.

Sec. 404. Community and Migrant Health Centers.

Community health center and migrant health center funding authorization is increased by 10 percent each.

Sec. 405. Rural health research projects

The National Center for Health Services Research is required to commit a minimum of 5 percent of new grant projects (for fiscal years 1990, 1991 and 1992) for research relevant to improving rural delivery systems. In addition, the National Center for Health Statistics is to conduct a study on how to improve the availability of data for determining medically underserved rural areas and for monitoring changed in the health status of rural residents.

TITLE V: HEALTH CARE PERSONNEL DEVELOPMENT PROVISIONS

Sec. 501. National Health Service Corps Scholarships

For the National Health Service Corps (NHSC), the authorized funding for scholarships and loan repayments is \$15 million for

1990, \$16 million from 1991 and \$17 million for 1992.

Sec. 502. Rural and urban health assistance scholarships and loan repayments

Rural and Urban Health Assistance Scholarships and loan repayments are established. A minimum of forty percent of placements (by type of student) are targeted for underserved rural areas. Eligible sites for placements include those sites eligible under the current NHSC program, MedCAFs, rural health clinics and private practices in underserved rural or urban areas. Scholarship students are required to serve one year in an eligible site for every year of full scholarship. Loan repayments are treated the same way as in current loan repayment programs. Eligible students include primary care physicians (with the primary emphasis being on those in family practice), nurses, nurse practitioners, physician assistants, psychologists, clinical social workers, pharmacists, dentists, and other allied health professionals. For the National Health Service Corps, the authorized funding for scholarships and loan repayments is \$15 million for 1990, \$16 million for 1991 and \$17 million for 1992. For the Urban and Rural Health Assistance Scholarships and loan repayments, the authorized funding is \$15 million for 1990, \$20 million for 1991 and \$22 million for 1992.

Sec. 503. Health Professional Training Program

Primary Care Personnel.—Effective January 1, 1991, health professional training programs funded by the federal government would be required to provide assurances that training takes into account special practice conditions of rural areas and target efforts toward students who are more likely to locate in underserved rural areas. To encourage the training of health care professionals who are more likely to serve underserved rural areas, development grants are provided to health training programs to develop and support training programs which can best place providers in underserved rural areas. Authorized funding is \$10 million for 1990, \$12 million for 1991 and \$13 million for 1992.

Multi-competent Technicians.—New training program funding is established to train multi-competent technicians to serve in underserved rural areas. Demonstration program grants may be made to hospitals, colleges and technical schools to develop model training programs for multi-competent technicians. Multi-competent technicians are technicians skilled by education/experience to perform limited routine laboratory procedures; limited radiography (chest, extremities, and abdomen) as well as cross trained as EMT I and/or II per DOT guidelines. Authorized funding is \$1 million for 1990, \$2 million for 1991 and \$2 million for 1992.

Sec. 504. Area health education centers

Funding of Area Health Education Centers is raised and targeted toward those health professions in short supply. The number of required residencies is reduced to two. Medical schools are required to provide at least a half-time tenured faculty member to serve as the director. Authorized funding is \$20 million for 1990, \$21 million for 1991 and \$22 million for 1992.

Sec. 505. Continuing education for nursing personnel

Continuing education of nursing personnel is increased through a program to bring continuing education (e.g., via satellite transmission) to rural areas.

TITLE VI: MENTAL HEALTH CARE PROVISIONS

Sec. 601. Alcohol, drug abuse and mental health block grant

Effective January 1, 1990, States receiving alcohol, drug abuse and mental health block grants are required to document the mental health needs in rural areas and document State's level of effort with respect to providing mental health services in rural areas.

Sec. 602. NIMH research on rural health service delivery

Funding is provided for research on rural mental health care delivery systems through the National Institute on Mental Health. Authorized funding is \$5 million for 1989, \$5 million for 1990 and \$5 million for 1991.

NURSE REIMBURSEMENT INCENTIVES

Secs. 109 and 204. Nurse reimbursement incentives

Reimbursement.—Provides direct Medicare and Medicaid reimbursement for nurse practitioners, clinical nurse specialists, certified nurse midwives, and certified registered nurse anesthetists beginning as of January 1, 1991.¹

Services.—Services are defined as those services covered as physician services and within the scope of state nursing practice laws. These services could include services provided in nursing homes, hospitals, patient homes, and ambulatory care settings.

Reimbursement Level.—Direct reimbursement will be by a fee schedule based on relative value scales established by the Secretary. For the purposes of this bill and by January 1, 1991, the Secretary, in consultation with an advisory panel made up of experts and representatives of nurses affected by this Act, is directed to: 1) design a resource-based relative value scale fee schedule; and 2) conduct a study of the relative costs for physician services and for nurse services (as authorized under this Act) with respect to overhead (including rent, staff, billing, and malpractice insurance) and other resources and make recommendations to Congress within 18 months on relative reimbursement levels for services provided by both physicians and nurses (as defined by this Act).

Peer Review of Utilization and Quality.—Expand scope of Peer Review Organizations (PRO) to include the services performed by these nursing specialty groups (nurse practitioners, clinical nurse specialists, certified nurse-midwives and nurse anesthetists). Also, requires PROs, to the maximum extent feasible, to consult with nurses from the specialty nursing groups and to utilize nurses from the respective nursing specialty group when making final determinations of denial decisions with respect to a nurse from that specialty group.

Hotline.—Direct the Secretary, through the Health Care Financing Administration, to set up a hotline to handle difficulties which the specialized nursing groups are having relative to direct reimbursement.

¹ The reimbursement change for certified registered nurse anesthetists is for Medicaid only, since this group is already covered in a similar fashion in Medicare.

ELECTORAL REFORM INITIATIVES

HON. WAYNE OWENS

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. OWENS of Utah. Mr. Speaker, I am today fulfilling a promise that I made throughout my reelection campaign to introduce a series of campaign reform initiatives that will restore public confidence in our electoral process. My first proposed reform is a constitutional amendment to lengthen the terms of Congress from 2 to 4 years. It is high time we reexamine our system for electing public officials. Running for office every 2 years has become so outrageously expensive and inordinately time consuming that it threaten our effectiveness as legislators.

The need for electoral reform is clear. Public distrust is high. Voter participation is low. Campaign costs are soaring. Members of Congress are forced to devote more of their time to fundraising and less to public duties and the real business of Congress. This non-stop campaigning has become an appalling waste of taxpayer time and money.

Extending congressional terms to 4 years would cut the total costs of House elections in half. My election to the House cost \$750,000 in 1988, five times what it cost 15 years ago. Four-year terms would not only result in reduced campaign expenditures, but they would also allow Members of Congress more time to concentrate on the myriad of complex national and international issues we have been elected to deal with.

The fundamental ideal of public accountability and direct representation would not be lost in this proposed legislation. To preserve responsiveness, elections would be staggered so that half the House would be elected every 2 years. The final component of my bill would be to require a Representative who declares his candidacy for the Senate to vacate his House seat.

We must ensure that the House of Representatives is an effective instrument of Government, working to the advantage of our constituents and our country. Membership in Congress should be an opportunity to focus on public service—not a perpetual effort to ensure our own reelection.

THE NATIVE AMERICAN BURIAL SITE PRESERVATION ACT OF 1989

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. BENNETT. Mr. Speaker, today I am introducing the Native American Burial Preservation Act of 1989, which would prohibit the excavation of Native American burial sites.

This month's National Geographic exposed a recent event in Kentucky where such a burial site was badly plundered by people seeking historic artifacts for sale. The State of Kentucky attempted to prosecute the plunder-

ers but since the people were already back in their home State, and since that State had no such law, they could not be extradited to face charges.

My bill makes it illegal for an individual to excavate or remove any remains of a native American or any materials that were buried or deposited with such remains. If a person is found guilty of such an act, he or she would be fined not more than \$10,000 for each violation.

Also, States could enact laws exempting certain, specific areas from this Federal law.

This legislation applies not only to American Indian but also to Eskimos, native Hawaiians, and other natives of ancient origin.

I submit, for the RECORD, a copy of my bill, along with a copy of the recent National Geographic article, entitled, "Who Owns Our Past?"

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Native American Burial Site Preservation Act of 1989".

SEC. 2. FINDINGS.

The Congress finds that—

(1) the United States has articulated a policy to preserve and protect the inherent right of Native Americans to believe, express, and exercise their traditional religions,

(2) in enacting the American Indian Religious Freedom Act of 1978 (42 U.S.C. 1996), the Congress recognized the importance of sacred sites, including burial sites, to the traditional religions and religious practices of Native Americans,

(3) the United States, in furtherance of its policy to preserve and protect the religious freedoms of Native Americans and the attendant right of Native Americans to engage in traditional religious practices, recognizes the need to protect and preserve the burial grounds and cemeteries of Native Americans, and

(4) vandalism of American Indian burial grounds is extensive and is growing and there is an interstate market in American Indian remains and artifacts.

SEC. 3. PROHIBITION AGAINST EXCAVATION OF NATIVE AMERICAN BURIAL SITES.

(a) IN GENERAL.—Except as provided in subsection (b), an individual shall not excavate a Native American burial site or remove any of the contents thereof.

(b) EXCAVATIONS IN DESIGNATED AREAS.—A State may permit excavations and removals prohibited under subsection (a) in any area designated by State law and contained in such State.

SEC. 4. CIVIL PENALTIES.

Any individual found guilty of a violation of section 3 shall be fined not more than \$10,000 for each such violation. Any contents of a Native American burial site that are removed in violation of section 3 shall become the property of the United States.

SEC. 5. DEFINITION.

For the purposes of this Act, the term "Native American burial site" means the burial site of any American Indian, Eskimo, Aleut, Native Alaskan, Native Hawaiian, or other individual of ancient native origin of a territory or possession of the United States and the descendants of such individuals.

[From the National Geographic, March 1989]

WHO OWNS OUR PAST?

(By Harvey Orden)

The crime scene—a field in western Kentucky—looked for all the world as if a low-flying squadron of bombers had just swooped over on a practice run. More than 450 small craters, each edged by a mound of raw earth, pocked the surface of the unplanted field. But no air raid caused this destruction. It was the work of . . . but how to refer to them? Some call them relic collectors, pothunters, treasure seekers, even "para-archaeologists." Others, less forgiving castigate them as looters, desecrators, even commercial grave robbers.

By whatever designation—and for whatever motives—the ten men who dug into this field in late 1987 disturbed more than bones and Indian relics. They ripped out and crumpled an irreplaceable page of our common heritage—and raised in high relief the growing controversy over the looting, sale, and exhibition of Native American remains and grave goods. The incident has prodded the nation to ask itself the emotionally charged question: "Who owns our past?"

Miles Hart, retired detective sergeant of the Kentucky State Police, recalls:

"We got a report that some relic hunters were looting an old Indian burial ground on a farm in Union County. Headquarters sent me out to check, since any discovery of human remains has to be filed with the state.

"Now, surface collecting is a popular hobby in this area. A lot of folks have relics or arrowheads. People dig 'em up in their gardens and plow 'em up in their fields. Twenty years ago I used to pick up arrowheads myself—with permission—out of that same field. Before Mrs. Slack died and the farm was sold, she talked to me about the history of the property. I'm still interested in Indian culture, but now I carve copies of peace pipes instead of looking for real ones."

When Sergeant Hart drove out to investigate, two men came to talk with him at the farm gate but refused to let him on the site. Returning with a search warrant, he found that a water tank had been rigged with a hose for softening the drought-parched earth. Countless small probe holes punctured the brown topsoil of the 40 acres overlooking the Ohio River near Uniontown, Kentucky.

"The men had told me there weren't any human bones; it was a prehistoric campsite, not a burial ground; they had rights to dig, and I had no business there since it was private land. But looking at all those craters, well . . . I knew amateurs don't destroy whole sites like that. These people were literally mining the place. It had every sign of a commercial operation."

Sergeant Hart did find bones—clearly human—strewn among the craters. "There were jawbones, leg bones, finger bones, human teeth everywhere. We got a cease and desist order until we could figure out which laws had been broken."

The men had paid the landowner \$10,000 to lease digging rights between the fall harvest and spring planting. The ten were charged by the state of Kentucky with "desecration of a venerated object"—a statute applied to crimes ranging from toppling tombstones on Halloween to Ku Klux Klan cross burnings—a misdemeanor that was punishable by a maximum fine of \$500 and as much as a year in jail. Four of the ten

men, however, lived in Illinois or Indiana and couldn't be extradited for a misdemeanor.

Spurred by the event, the Kentucky Legislature in March 1988 unanimously revised the law, making desecration of graves a felony—which would allow extradition in future cases. Another bill narrowly missed passage in Indiana—where grave looters can be prosecuted only for trespassing, a misdemeanor carrying a fine as low as one dollar. But supporters of the bill promise to push for a stronger law this year.

As of this writing the criminal trial of the "Slack Farm Ten" has been delayed. A parallel civil suit filed by the state (seeking return of artifacts taken from the site, costs of documenting the looting and punitive damages for the destruction of an archaeological resource) was dismissed in August because Kentucky failed to prove jurisdiction.

Some predict the United States Supreme Court may have to resolve the issue of the state's power to regulate archaeological excavations versus landowner's rights (a cherished Kentucky principle says a property owner's rights go "from heaven to hell").

"If the diggers are found guilty in the criminal case," points out David Wolf, forensic anthropologist of the Kentucky medical examiner's office, "the provisions of ARPA (the federal Archaeological Resources Protection Act of 1979), which only apply on private property if local law has been violated, would kick in. Then the FBI could go in and seize artifacts that has been illegally taken across state lines."

"Because of the scale of the Slack Farm operation and the digger's brazen disregard for human sensibilities, we're hoping this case will spur a national burial preservation act," concludes Dr. Wolf.

Pleading not guilty, the ten defendants are backed by an influential lobby of relic collectors who see a cherished hobby (and profitable business) threatened by proposed laws and new legal precedents. Art Gerber, organizer of an annual Indian relic show in Kentucky, argues in their defense: "These guys are being made the scapegoats for what others have done for years. If it weren't for collectors, a lot of this stuff would be totally lost—plowed into pieces by farmers, washed away by floods, paved over for parking lots and housing projects. We collectors see ourselves as saving history, not destroying it."

Cheryl Ann Munson, senior archaeologist at Indiana University's Glenn A. Black Laboratory of Archaeology, counters: "It's one thing for a collector to pick up points in a field; it is entirely different to dig into archaeological sites to mine artifacts for money. The really sad thing is that we'll never know what's been taken or how it relates to what remains in the ground. Everything has been scrambled. This field is one of the prime Mississippian sites of the Ohio River Valley from the time of European contact. Now much of what we could have known is lost forever."

In February archaeologists, who had been called in by the state medical examiner's office to determine how many of the burials had been disturbed (at least 650, probably more), began mapping the site.

"We had hundreds of volunteers to help with the effort," said archaeologist David Pollack of the Kentucky Heritage Council, which coordinated the operation. "They were local students, businessmen, retired folk—everyone outraged by what they saw." After all the publicity some people who had dug up bones in the past turned them in to

the medical examiner's office. There was even talk of turning the Slack Farm site into a park.

What do archaeologists know of this Slack Farm site? As far back as 1858, amateur archaeologist Sidney S. Lyon of nearby Jeffersonville, Indiana, donated some Indian relics he had dug up around there to the Smithsonian Institution. A decade later, Lyon—this time officially sponsored by the Smithsonian—conducted a more thorough survey, noting:

"There is a great field for investigation on both sides of the Ohio, near the mouth of the Wabash River. The people of the country have little or no exact information as to the number or location of the mounds. When a field is cleared inclosing a mound, and bones are ploughed up, the fact becomes known, but the existence of mounds in the woods or on the ridges is almost unknown; and as they are undoubtedly very numerous an explorer would find work enough to do."

Among the five mound groups mapped by Lyon was a concentration of more than 40 mounds at Slack Farm. Some he dug as best he could—with the rudimentary archaeological techniques of the time—and dutifully sent findings to the Smithsonian Institution. His report on this material helped provide clues on the dating and nature of ancient human occupation here—and possibly led the looters of 1987 to the site.

"This was no temporary camp without burials, as the looters claimed," notes Cheryl Ann Munson, one of the archaeologists directing last spring's investigation. "It was a major village that flourished from about A.D. 1450 to 1650. Its people belonged to the Caborn-Welborn phase of the late Mississippian period—an important proto-historic era spanning the time of first contact with Europeans. Pre-Mississippian settlements here include a much older Woodland phase—we call it Crab Orchard—that dates back to about the time of Christ."

At the height of the Mississippian period (A.D. 900 to 1400) towns and villages with flat-topped mounds serving as foundations for nobles' dwellings or temples, covered much of eastern North America. Archaeologists characterize the culture of the Mississippian people as one based on the cultivation of corn. Hence the location in rich river bottomlands of its greatest settlements: Cahokia Mounds in Illinois, near East St. Louis; Angel Mounds, near Evansville, Indiana, just 22 miles upriver from Slack Farm; and Moundville, near Tuscaloosa, Alabama.

The Slack Farm site likely drew importance from the confluence of two great rivers—the Ohio and the Wabash. In the late Mississippian, say A.D. 1500, it would have presented a scene of closely packed rectangular houses of wattle and daub construction, with peaked thatch roofs to handle the mid-western rains; extensive cornfields on alluvial bottomlands; and perhaps 300 to 500 people.

When they died, they were buried in cemeteries near their houses and granaries, with grave goods perhaps to assist them in the spirit world.

By drawing on data from other contemporary sites as well as analogies from the ways of the Choctaw, Creek, Shawnee, and other historical tribes, one can visualize many vignettes of Mississippian life: Men in river clearings burning great logs felled with stone axes, then hollowing them with adzes to make dugout canoes; others along the shore fishing with weighted nets; small hunting groups in the forested higher ter-

rain away from the river, hunting white-tailed deer; children shaping play pots while their mothers built real ones; dogs yapping and cavorting; men and women making flint tools, weaving, repairing houses, carving stone pipes. And pervading the ancient settlement at Slack Farm as thoroughly as the acrid woodsmoke from the cooking fires, a deeply rooted belief system links the visible world to a supernatural universe.

That belief system still persists in the person of Native American activists who arrived on the scene in Union County after they heard about the Slack Farm looting. Outraged at the desecration, they visited the site with Kentucky authorities and later claimed the skeletal remains under a "friend of the deceased" provision of state law.

Their claim was recognized by David Wolf of the state medical examiner's office—who played a crucial role in bringing the criminal case to prosecution. He agreed to give the Indian activists the bones for ceremonial reburial after criminal evidence had been gathered and the scientific analysis had been completed.

Among the factions of the loosely organized Indian contingent were several Shawnee from Oklahoma, who were convinced their direct ancestors had lived in this area before being driven out in the early 1800s. Others were Cherokee, Sioux, Ojibwa, Apache, even Alaska Athapaskan.

Faced with the Shawnee's contention that the Slack Farm site had been a Shawnee village, the archaeologists contacted tribal officials of the Shawnee in Oklahoma and the Miami in Indiana. Neither group claimed descent or grave goods.

"I do not believe that the modern Shawnee descended from the people buried here," says Cheryl Ann Munson. "Only with an extensive excavation and full-fledged study of the remains can we learn more and answer the descent question."

But Native American activists counter that the archaeologists simply don't want to deal with modern Indians who might interfere with their work and make claims to the grave contents—and to many museum collections, as well.

Experts agree that the Shawnee once lived in this region. Shawneetown, Illinois, is only ten miles from Slack Farm, and this whole tri-state area—where Kentucky, Indiana, and Illinois converge—is rich in Shawnee associations. Some historians place the Shawnee farther up the Ohio River during the 1500s and 1600s, arguing that they only passed through here in the late 1700s before they were driven across the Mississippi. The authoritative *Archaeology of the Lower Ohio River Valley* (1986), by Jon Muller of Southern Illinois University, outlines a case for the Shawnee, among others, being the descendants of the Caborn-Welborn people.

And according to Dr. Helen Tanner, research associate at the Newberry Library in Chicago:

"There are only so many tribes who might be identified with the Caborn-Welborn culture, and the Shawnee, in my opinion, are the most likely. It seems to me that many archaeologists have developed a block in tying together historic tribes and prehistoric cultures; in reality it is all one continuum."

Says Dennis Banks, longtime American Indian Movement leader who came to Union County to lead the Indian contingent: "The archaeologists say nobody knows who the descendants of these people are. They say you can't tell if they were Shawnee because

they're 'prehistoric.' That's their word for 'prewhite.' It seems they're saying we Indians can't have any ancestors at all. So that gives them the right to dig them up. If you ask me, they're hardly any better than grave robbers themselves; only difference is they've got a state permit. Well, we're here to tell the world that, Shawnee or not, we are all laying claim to these ancestors.

"What if this were a white cemetery that had been desecrated? Would the archaeologists be bagging the disturbed bones and grave goods to take them for study at museums and universities?"

"We're not here for a confrontation. We just want to see that the Ancient Ones get a proper reburial. Those who dug up their bones just don't understand the forces they've let loose."

The Indians set up a tepee and organized a vigil near the site, held tobacco-burning ceremonies every four days, and built a sweat lodge to purify those who came to visit the disturbed graves.

A poignant public Ancestors Day ceremony was celebrated over Memorial Day weekend—possibly to become an annual event. Two weeks earlier the first of three consignments of bones was reburied—without fanfare—by Chiefs Leon Shenandoah and Vincent Johnson of the Six Nations Iroquois Confederacy.*

A large cloud, sliding providentially across the otherwise clear sky, gave welcome relief from the hot afternoon sun as Chief Shenandoah put the cardboard boxes containing the remains of 114 Ancient Ones into holes the archaeologists had left for that purpose. In his native Onondaga language, he intoned a series of prayers.

Later he explained: "I was talking to the disturbed spirits. They can't rest until their bones are completely dust. I asked them not to harm us. I told them we are putting them back so they can start their journey to the other world again. And I prayed that they would forget all this ever happened and not take vengeance on those who dug them up."

At the end of the prayers the dirt that the original diggers had tossed aside so carelessly and that the archaeologists had so meticulously sifted was shoveled back to cover the boxes in their new common grave, well beneath the plow zone. Smoothing the mound, Chief Shenandoah set a lighted lantern beside it.

"To light their way to eternity," he said.

In Owensboro, Kentucky, tables groaning under the weight of tens of thousands of Indian artifacts stretch away through a vast ballroom lit by chandeliers. Billed as "The Indian Relic Show of Relic Shows," this annual event is enough to give terminal depression to anyone who knew the childhood miracle of finding an arrowpoint in the backyard.

Box after box is filled with points—you can get the commonest arrowheads for 50 cents to a few dollars; a finely preserved Palee Indian spearpoint brings \$500 or more. A glass case displays exquisite bannerstones—the stone weights used with atlatls, the spear-thrower common before the bow and arrow came into vogue some 1,200 years ago. At one table a couple examine a shell pendant, a gorget dangling from a necklace of fine shell beads: \$1,200. "It's got the weeping-eye motif of the Southern Cult," urges the seller.

While most pieces bear no label other than price, some have little museum-style ID tags: "Yankeetown, a.d. 1200" . . . "Hopewell, 200 b.c.-a.d. 200."

"You won't find much of the really good stuff out in the open," one vendor confides.

"That's kept in vaults. You gotta be serious before they'll show it to you. And watch out for fakes. Even the experts get fooled."

"Did you dig this piece yourself?" you ask the dealers.

Most shake their heads. "Naw, got it at an estate sale." . . . "Bought it from a guy."

"Where's it from?" you ask.

"Well, this guy said he got it down in Georgia." Or Oklahoma. Or bought it from an old lady in Ohio.

Get too specific with your questions, and you get a peeved stare. It's like asking people details of their taxes.

"Anything from Slack Farm here?" That one brings either a blank look or a guffaw. Everyone at the show knows about the recent hoopla. Many items might be from the site—but there's not a whit of legal proof that any of them are.

Photographer Steve Wall managed to track down one piece allegedly from the Slack Farm dig: a four-inch carved limestone pipe (page 385). The collector knows of only two others, one also said to be from the farm and the other from a few miles away. The man who claimed he'd bought it—for \$4,500—said he had confirmation of its origin from the seller. Other rare pieces have gone for hundreds of thousands of dollars. Most diggers, though, would tell you they're lucky to make the equivalent of minimum wage for their hours of shoveling in the hot sun.

"For the vast majority it's the sport and adventure of it, not the financial gain," says Art Gerber, whose show is one of scores held throughout the country each year. Yet some dealers—including Gerber himself—have collections in their vaults that would make a museum curator cry with frustration. Most of these pieces are what archaeologists call "without provenance"—no record of the physical content from which they were dug. Hence, they are nearly useless for the interpretation of history. Literally, pieces lifted from the puzzle of our common past, never to be fitted.

"Watch out for copperheads!" warned Ed Hastings as he led the way up the hillock behind Slack Farm. Ed has been roaming these bluffs and terraces above the lower Ohio for more than half a century. He was a "surface hunter," making his finds on the ground, not under it. In recent years he's given up even that, becoming purely a mapper of Indian cemeteries and sites. "I've recorded more than 250 sites, some larger, some smaller than this one, all within a hundred miles of here. I guess there must be twice that many. Every so often someone will come across an old Paleo-Indian point out here dropped by a hunter maybe 10,000 years ago. Some of these ancient settlements are layered like wedding cakes, going down maybe a dozen feet.

"When those diggers dug here, they mixed up all the layers and tossed the bones around like to much sewer pipe. No respect for the dead. I've found quite a few bones, too, in my time. Once I found the whole skeleton of a mastodon. But whenever I found human bones, I reburied them with a prayer. Maybe it's because I've got a drop of Apache blood. That was the only time I dug—to put 'em back.

"The diggers say they weren't digging for bones, just pots. But look at all those probe holes among the craters—thousands of 'em. You don't make those looking for pots at random. You'd never find much that way. You make all those probes because you're looking for the soft feel of bones. If you find bones, chances are you're going to find

grave goods too. That's where the money is. The only bones they usually take are the whole skulls—people buy 'em as candle holders.

"But I don't see these guys as monsters, like some people do," Hastings continued. "I know the lure. I stopped even surface huntin' because I came to realize it was wrong to take this stuff for yourself. This is everybody's history, not just yours or mine. It shouldn't be for personal profit. I'm not tellin' others to stop surface huntin' or collectin'. But I do say this:

"Don't dig—you destroy history when you do. And don't buy the stuff either. If everybody stopped buyin', these guys would do a lot less destruction. Me, I still hunt for sites but only with my eyes. Those bones down there—they're everyone's ancestors. I say let 'em rest in peace!"

CULTURAL TREASURE: PRIVATE OR PUBLIC DOMAIN?

The excavation and study of archaeological sites in the eastern United States have revealed much about the Archaic, Woodland, and Mississippian periods.

Thousands of sites from millennia of occupations dot the terraces overlooking the Mississippi and Ohio Rivers—prime locations that offered good transportation, excellent hunting and fishing, and rich alluvial soil for growing corn.

Undisturbed strata at the Slack Farm site show major occupations from about 200 B.C. to about A.D. 1650. The last settlement—probably flourishing when Columbus made his New World landfall—belonged to the Caborn-Welborn phase (about 1450-1650) of the late Mississippian period. Only a handful of Caborn-Welborn village sites are known—all have been damaged by looters.

The Slack Farm looting and other incidents across the nation may lead to new legislation in many states—perhaps even a federal law—to safeguard burial sites located on private land, raising a series of yet to be resolved legal questions:

Can a landowner give or sell digging rights to relic hunters? And who should have a say in regulating the digging of burial sites: The landowner? The state? The federal government? The archaeologists and museum curators? The descendants of those whose bones and grave goods they are—specific Indian tribes or all Indians? All Americans who claim the history of their land as part of their national legacy?

Among the few intact artifacts recovered by archaeologists at Slack Farm, two burial pots show the characteristic shape and handles of the Caborn-Welborn culture. Also overlooked by the looters was a fragment of a tiny pot, perhaps made by a child while the mother was firing larger bowls and pots; in a hauntingly human touch, the child's centuries-old fingerprint can still be seen inside the bowl.

Whatever else may have been pirated away from the site will be all but useless for archaeology. Even if an artifact ends up on a dealer's table or in a private collection—like this red catlinite pipe, allegedly from Slack Farm—it will remain forever out of context, a displaced piece of the puzzle of our cultural heritage.

U.N. HUMAN RIGHTS COMMISSION CONDEMNATION OF ROMANIA

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. HOYER. Mr. Speaker, last Thursday the U.N. Human Rights Commission meeting in Geneva passed a landmark resolution condemning Romania's human rights practices and calling for a special rapporteur to investigate conditions in that country and report to the Commission in 1 year's time.

The resolutions comes at a time when Romanian activists and the population as a whole are under tremendous pressure from authorities. Doina Cornea, a courageous and eloquent human rights defender in Cluj, remains under virtual house arrest. Over a dozen journalists in Bucharest—including Petre Mihai Bacanu, Anton Uncu, and Mihai Creanga—have been arrested on suspicion of publishing an independent manifesto. Their whereabouts and condition are unknown. Religious believers and minority group members struggle to maintain the integrity of the institutions that serve their special needs. Urban and rural dwellers are threatened equally by Romanian President Ceausescu's program of sistemizare, or sistemization, which calls for the destruction of entire villages and city neighborhoods and for the forcible relocation of inhabitants. Refugees continue to flee repression in Romania, streaming into Hungary and Yugoslavia.

The Romanian delegation to the Commission predictably and immediately announced that the Romanian Government would not comply with the resolution's mandate for an envoy appointed by the Commission to visit Romania. Less than 2 months ago the Romanian Government reacted in a similarly cynical fashion to the concluding document of the Vienna review meeting of the conference on security and cooperation in Europe, proclaiming that it would comply only selectively with that document's provisions.

Whether or not the Romanian Government allows a U.N. investigator to enter the country, the Human Rights Commission's resolution represents a significant and timely advance in the growing international campaign to call attention to the unacceptable human rights conditions in Romania. Only 7 countries came to Romania's defense by voting against the resolution, as against 21—including the United States—that supported it, 10 that abstained, and 5 that did not participate. The Soviet Union, Ukraine, Bulgaria, and the German Democratic Republic were among the latter group. While they did not join Hungary in condemning Romania's human rights performance, nor did they support the Romanian position.

The message in all this for Romania is that in its growing isolation it cannot hide from the eyes of the world. It will be held accountable for its actions by the community of nations in which it aspires to be a respected member. Whether in the context of the CSCE process or of the United Nations, the Romanian regime is recognized as, and increasingly con-

demned for being, a flagrant abuser of human rights.

THE DOMESTIC CORPORATION TAXATION EQUALITY ACT OF 1989

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. FRENZEL. Mr. Speaker, I am introducing today for myself and Representatives ARCHER, BENTLEY, BROWN of Colorado, CHANDLER, COBLE, GIBBONS, GRADISON, GUARINI, JOHNSON of Connecticut, JENKINS, ROSE, VANDER JAGT, and WOLF the Domestic Corporation Taxation Equality Act of 1989. The bill addresses the problem of double taxation resulting from: First, four States' use of that method of corporate tax assessment called worldwide unitary tax; and second, the taxation by eight States of dividends received by American corporations from income earned by their subsidiaries overseas without giving any credit for foreign taxes on that income.

State governments in the United States have traditionally used a formula to ascertain how much of the income of a single corporation doing business in the United States should be taxed by each. Most often that formula is the amount of the corporation's payroll, sales, and property in the taxing State compared to all States in which it does business. About one-half of the States apply this "unitary tax method" to multicompany groups operating in more than one State. "Worldwide unitary taxation" carries the application of the unitary tax method one step further to include overseas affiliated corporations.

The use of worldwide unitary taxation necessarily results in international double taxation; once by the host country and again by the State using the method. The application of worldwide unitary taxation to the overseas subsidiaries or affiliates of U.S. corporations also results in over taxation of income because of noncomparable costs of United States and overseas apportionment factors such as property and labor costs.

The double taxation which occurs when a few States tax intercorporate dividends received by American corporations from their overseas affiliates would be remedied by the second section of the bill. The principle is the same, that income was earned outside the United States and the taxing jurisdiction of any State, and is subject to the tax of the country in which it was earned. The four States that use worldwide unitary taxation do not separately tax intercorporate dividends received by American corporations from their overseas subsidiaries because the worldwide combination of the income of the parent and affiliate corporations already includes that income. Without the requirement of the second section of the bill for a tax credit or exemption, those States could again doubly tax such income by separately subjecting it to tax. Hawaii, Iowa, Maine, Mississippi, New Hampshire, New Mexico, Rhode Island, Vermont, and the District of Columbia, separately tax such dividends without allowing any credit

or exemption for taxes paid in the country in which that income was earned.

The Federal Government has agreed not to use worldwide unitary taxation in every income tax treaty to which it is a party. In fact, worldwide unitary taxation is not used by any other country in the world or by 41 of the 45 States which tax corporate income. Alaska—but not for oil companies, California, Montana, and North Dakota are the only taxing jurisdictions that use worldwide unitary taxation.

There are those who think the problem has been solved because in the past several years eight States have abandoned the use of worldwide unitary taxation and California, Montana, and North Dakota have modified their use of it. However, the need for a Federal solution remains. All three States, while allowing corporations to elect whether or not to be taxed under worldwide unitary taxation, require the payment of a fee or higher rate of tax for the right to make that election, make the election binding for a number of years, and impose an additional administration burden by demanding that corporations prepare and file detailed information on all worldwide affiliates.

California still doubly taxes U.S. corporations and discriminates against them, because their foreign counterparts are not being taxed the same way—California includes all of the worldwide income of United States 80/20 corporations—those with less than 20 percent of their activities within the United States—in the domestic tax base, while excluding the overseas income of foreign corporations having less than 20 percent of their activities in the United States.

Not only is it patently wrong to doubly tax and discriminate against American companies, it is short sighted in these terms of intense global competition. We have asked our corporations to modernize their facilities, improve efficiency, reduce costs, and develop products to compete in a highly competitive global marketplace. We have negotiated wide ranging free trade agreements and treaties and enacted legislation to ensure a "level playing field" for our corporations, but we have ignored the practices of a few States which detract from the ability of our corporations to compete internationally.

We have lived far too long with the disruption to this country's foreign policy which results from the use by a small minority of States of a method of tax assessment that contradicts the method used by the Federal Government and the rest of the world. The adverse effects upon the ability of the Federal Government to carry out its tax and investment policy in the international arena and to manage the sensitive issue of international double taxation has been described by President Reagan, Secretary of State Shultz, Secretary of the Treasury Baker, and in briefs recently filed by the Department of Justice in pending litigation.

The legislation will not violate States' rights or alter the taxing jurisdiction of the States. It only requires the four States which still utilize worldwide unitary taxation to use the same method for sourcing corporate income that is used by the other 41 of the 45 States which tax corporate income, the Federal Government, and every foreign taxing jurisdiction in

the world. It also asks the few States that tax intercompany dividends received the U.S. corporations from their overseas subsidiaries to do so equitably, by recognizing that the income from which those dividends are paid has been taxed overseas. If the legislation is enacted States will remain free to tax all income generated within their borders, at whatever rate they choose. The bill will even permit any State to use worldwide unitary taxation as so long as a reasonable opportunity is allowed the taxpayer to compete its income on a nonworldwide unitary method.

I trust that my colleagues will recognize that the enactment of this legislation is not only needed, but long overdue. If we are to truly make American business more competitive in international markets and require our trading partners to help us ensure a level playing field for such competition, then we must at a minimum see that such requirement is met within our own country.

SOME ADVICE FOR ADMINISTRATION APPOINTEES

HON. DANA ROHRBACHER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. ROHRBACHER. Mr. Speaker, the following article appeared in the Washington Times on March 7, 1989.

Although incoming appointees certainly get enough free advice from all quarters, this article merits particular attention; unlike the vast majority of "rules" and "political axioms" eager pundits levy upon the new arrivals, the advice this article contains may be worth a lot more to a new appointee than he or she pays for it.

ADVICE TO INCOMING APPOINTEES

(By Kenneth Tomlinson)

For years you have labored in relative obscurity raising money or contributing to policy for a presidential candidate. Or maybe you once lived across the street from the new president, or the new chief of state was profoundly influenced by that article you did last year for Commentary.

Whatever the reason, your ship has come in. You have been tapped by President George Bush to head a bureau or commission, or even a federal agency.

These are heady times for you—days that may well be the most exciting of your life. But don't forget that for every presidential appointee whose job enriches his or her life or pocketbook, there are examples of reputations ruined by federal service. If history repeats itself, a few of you may even land in jail.

Before I accepted my first job in the Reagan administration, I was lucky enough to be the recipient of advice on managing in government that proved critical to the two great years I spent as director of Voice of America.

For what it's worth, here are the basic rules that enabled me to enjoy the experience.

REMEMBER YOUR GOALS

Before I settled into Washington, a friend and former Carter administration official called with a confession that rather surprised me. "In the eyes of the world I was a

success," he explained. "At the end of each day my in-box was empty and my out-box was full. I kept all the balls in the air. But when it was over, I realized I had failed to accomplish the two or three things that I went into government to do."

Each week you are in office, force yourself to remember why it was you wanted the job. And organize yourself so that others handle the busy work of the agency, while you concentrate on accomplishing your goals. Everything from the plague of interminable government meetings to the constant overview of Congress will work to take your eyes off the ball. But as Winston Churchill said, "Never, never, never give in."

If you don't have goals, get some. Call others who have served in the post and seek their advice. Or do the same with political friends.

Remember the words from Proverbs: "Where there is no vision, the people perish." The same is true for federal agencies. Where people are not working toward specific goals, stagnation or mayhem is inevitable.

Once you have your goals, be sure to communicate them to the people in your agency and your colleagues in the administration. Do an op-ed piece for a newspaper or an article for a magazine, setting forth what you want to do.

If you can't talk about your goals in public, then you'd better get some new ones, because hidden agendas and secret plans are out in today's Washington. If you don't believe me, ask Adm. John Poindexter.

GLAD YOU ASKED, JACK

On your first day in the job a seemingly wise administrative-type may explain that there's a way to get the government to cover your moving expenses. Never mind that the law says that presidential appointees must move themselves to Washington. He will explain that as a temporary senior executive service officer, as you await Senate confirmation, it can be arranged for the government to pick up your moving tab.

Don't do it.

During your first weeks, a bureaucrat will come to you with plans to remodel your office or build you a new bathroom or, as was the case at Voice of America, create a plush new hallway leading to your office that would have been crowned the Executive Corridor.

Don't do it.

In giving a party—even for your employees—pay for it yourself, despite the fact that your administrative officer will assure you the tab can easily be absorbed in your budget.

People trying to ingratiate themselves with you—or show you the path to power and influence in Washington—will sorely tempt you with plans and schemes, many of them seemingly innocent in nature.

You will avoid these traps because you will come to your job equipped with the concept that before you make a move in government you'd better ask yourself if you could truthfully respond to a call from columnist Jack Anderson with the words: "Glad you asked that, Jack."

Your honesty will be rewarded—or your dishonesty repaid. Leaks are a form of participatory democracy. Once you are in a federal post, you can count on having no secrets.

CHOOSE YOUR STAFF—CAREFULLY

As soon as you land your job, you'll be hearing from White House personnel with ideas for your deputy or even your executive

assistant. You'll get names from people who helped you get your job. You don't want to stonewall the White House or your friends—after all, these are the people who put you where you are—but be wary of letting someone else choose your key staff.

Even in this age of enlightenment, loyalty still is a critical factor in staffing an agency. And chances are that the deputy someone else chooses for you in actuality is going to have his eye on your job.

You will be surprised at how few new people you can hire for your agency—so that makes your selection even more important. Your staff should complement your own capabilities. If you are a politically driven idea person, don't recruit another policy-type as a key adviser, because what you really need is an organizer to get things done.

What about the career types that you will find running the agency when you arrive? Be careful. If you place yourself in their hands, you'll sleep well at night and you'll have a fine time at ribbon-cutting occasions, but chances are you will have little real impact on your agency.

Does this mean you should freeze out career people? Absolutely not. Many former agency heads I know assert that over the long haul, career people are more important in accomplishing goals than your political appointees. But these will be career people who decide to support your program—one hopes because they believe it is best for the health of the agency.

FOLLOW THROUGH

You can communicate your program in the press and on Capitol Hill, but don't assume your subordinates are carrying out your goals—no matter how worthy.

It's human nature. Your goals weren't their ideas.

Indeed, it is no accident that your agency has drifted in a direction that you want to change. There were good bureaucratic reasons why that happened.

When I went to VOA, I thought it would be easy to erase the political conflicts that long had plagued the agency. America doesn't speak with one voice. We speak with a rich diversity of voices, so why not stop warfare between the left and the right by making the VOA reflect the dynamic voices of America.

All this sounded great in confirmation hearings and op-ed articles, and everyone prepared for a new era of peace at VOA.

There was but one problem. Senior managers explained program changes couldn't be done. Even in this era of high-tech broadcasting, engineers argued that interviews by telephone were not good enough for short-wave broadcasting. Not coincidentally, telephone interviews would require far fewer engineers.

Senior broadcast executives said it couldn't be done. They balked at programming changes that would have greatly increased outside participation, using the model of the "MacNeil/Lahrer NewsHour." That would have required more work than the traditional one-guest, one-microphone approach.

Eventually, VOA journalists, both young and old, played integral roles in carrying out the programming reforms senior managers said could not be done. But first, barriers to changes had to be overcome.

How can you ensure that reforms are carried out? There is no substitute for follow-through. By and large, your core staff will have to carry this responsibility. But so must you. A friend tells of discovering the

breakdown in the chain to be a key aide who was assuring department managers that the boss would soon become so engulfed in interagency turf wars and budget process that he would forget all about internal reforms. That's why you must constantly remind yourself of your goals. It's also why you must count on spending long hours at your agency—unless your goal is to travel the world in the lap of government luxury.

YOU CAN'T NEED THE JOB

In the early 1960s, when I was a teen-age intern on Capitol Hill, I heard a reporter ask then Montana Rep. James Battin how he could cope with the political pressures of Washington. "Because I really don't need this job," Mr. Battin thundered defiantly, and he spoke with such force that I for one believed him.

The moment you feel that for whatever reasons you need to have your political job is the moment you'd better be running for the exit. This is certainly true if you need the money the job pays. It's also true if you need the trappings of power or prestige that go with a presidential appointment.

Some of the saddest scenes I've ever witnessed are those of presidential appointees trying to hold onto their jobs after having been mortally wounded.

To me this is the unwritten side of virtually every major political scandal of our time. There were people with the sense to stop everything from Watergate to Iran-Contra—but they so needed their job, or so they thought, that they could not say no.

Putting major confrontations aside, how will you know when it is time to go? You'll know, though age (the older you get the less you have to worry about the future) and personal wealth might enable you to ignore the signs.

For me the signal came as I neared the end of my second year. I answered the phone at home one evening and a child asked to speak with Lucas, then five years old. "This is his father," I explained, "I'll get him for you."

On the other end of the line, the child turned to his mother and said, "I didn't know Lucas had a father."

When I heard that I suppose I knew deep in my heart that it was time to return to normalcy. To this day, I regret having had to leave so soon.

ROMANIA'S HUMAN RIGHTS DUE TO BE SUBJECT OF UNITED NATIONS SPECIAL RAPPORTEUR

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. SMITH of New Jersey. Mr. Speaker, last Thursday in the closing days of the United Nations Human Rights Commission meeting in Geneva, a Swedish resolution was approved which would authorize the appointment of a special rapporteur to investigate Romania's human rights abuses.

The resolution expresses world-wide "concern at the allegations of serious violations of human rights and fundamental freedoms in Romania." In particular, the measure warns of "further violation of the human rights of large sections of the population," if Romania's rural systematization plans are implemented. The

resolution also points to the "increasingly severe obstacles for Romania's national minorities to maintain their cultural identity."

Hungary, Romania's next door Warsaw Pact ally, has been quite vocal regarding Romania's systematization plan which includes the complete bulldozing of villages and the destruction of Hungarian artifacts, architecture and traditions. However, this most recent United Nations action and universal expression of concern is unprecedented. Of particular note is the breakdown of the vote; 21 countries voted in favor, 7 against, 10 abstained and 5 did not participate. Among those not participating were the Soviet Union, East Germany, Ukraine—Ukrainian Soviet Socialist Republic—and Bulgaria. Hungary joined the United States and other Western nations in support of the special rapporteur. While not a voting member of the Human Rights Commission, Hungary cosponsored the resolution introduced by Sweden.

Dictator Ceausescu's outrageous and inhuman systematization plans are underway and families are losing their homes, churches, communities and livestock. The European Community and Council of Europe have initiated an innovative humanitarian effort to help the peoples of Romania facing destruction of their towns and villages. "Operation Romanian Villages" is seeking Western European communities—hopefully 13,000 communities—to adopt rural villages of Romania. Approximately 8,000 villages—the specific towns targeted have not been publicized—are slated for destruction eventually.

Mr. Speaker, several of my colleagues and I who have been leading the debate in Congress regarding Romania's treatment of its people recently sent a telegram to the United States representative to the Commission, Ambassador Armando Valladares. We urged the Ambassador to support the appointment of a special rapporteur in hopes that such an investigation will help improve the living conditions of the people of Romania. Mr. Speaker, over the last several years in my discussions with Romanian officials, the Ambassador of Romania, in particular, I have repeatedly asked that human rights observers be allowed into the country but such appeals have been consistently denied.

I am hopeful that the United Nations Rapporteur will be permitted to observe all aspects of human rights in Romania—the effects of systematization, the denial of religious freedom, and the right to free assembly. Mr. Speaker, I look forward to the Rapporteur's report which will be due at the 46th session of the United Nations Human Rights Commission in 1990.

CONGRESSIONAL SALUTE TO WKER RADIO, POMPTON LAKES, NJ, ON 25 YEARS OF SERVICE

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. ROE. Mr. Speaker, I have always believed that effective communications among

all segments of our society is the foundation of our well-being and critical in the effort to maintain peace in the world. In this regard, it is with great pride that I rise today to salute a local radio station in my Eighth Congressional District of New Jersey which, for a quarter of a century, has provided a vital communication link to the people of the greater northern New Jersey area.

I am speaking of radio station WKER of Pompton Lakes, NJ; its visionary founder, the late Bob Kerr, and two people who have helped guide the station since its founding and whose tireless efforts have made WKER a critical asset and resource to the community, Lee Novak and Tom Niven. In honor of WKER's long and dedicated service to the people of northern New Jersey, the Pompton Lakes Chamber of Commerce will pay special tribute to this outstanding institution when it holds its annual installation of officers and distinguished service awards dinner dance on March 18, 1989, at the Regency House in Pompton Plains.

Mr. Speaker, I know that Lee Novak and Tom Niven, who have been instrumental in making WKER what it is today, will accept this honor being bestowed on their radio station with great pride. I know, too, they will be thinking of their late colleague, Bob Kerr, and the profound impact his initial efforts have made on his community.

WKER Radio was the dream of Bob Kerr, then a resident of West Milford, NJ, who had the foresight and vision to recognize that the people of northern New Jersey needed their own special source for local news and a catalyst that would help bring the area together as one community. Bob Kerr's dream was realized on October 4, 1964, when WKER went on the air. Since that time, under Bob Kerr's vision and Lee Novak's and Tom Niven's guidance, WKER has made a priceless contribution to the people of the 43 communities in its listening area, having focused its efforts on community concerns and serving as an immediate daily source for local news.

Mr. Speaker, along with providing the citizens of its listening area with news they could hear no where else, WKER has gone above and beyond the call of duty in its service to the community. Located in a flood-prone area, WKER has often been the sole communication link between civil defense authorities and the public, relaying flood emergency information to the affected area residents and remaining on the air when the station itself was flooded through the outstanding efforts of dedicated employees until the emergency had passed.

Regrettably, Bob Kerr passed on in 1982. But the fruits of his efforts live on through the tireless dedication of Lee Novak and Tom Niven, who oversee all aspects of WKER's operation and who have followed in his spirit of contributing to the community with the best in news and musical entertainment, participation in local organizations and the chamber of commerce, maintaining free access to WKER for local civic, religious and fraternal organizations, and affording the business community an effective lifeline to a vast audience.

Mr. Speaker, I know that the late Bob Kerr would indeed be proud to see how the tradition of his original vision has lived on and

flourished under the guidance of his devoted colleagues, enriching the lives of the people of the northern New Jersey area just the way he intended. It is with great pride, then, that I ask you and our colleagues to join me in paying tribute to radio station WKER of Pompton Lakes, a vital communication link in northern New Jersey, and the true American pioneers responsible for its success, the late Bob Kerr and Lee Novak and Tom Niven, who have truly made their community, State and Nation a better place to live.

NATIONAL JOB SKILLS WEEK

HON. MATTHEW G. MARTINEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. MARTINEZ. Mr. Speaker, I rise today to introduce a resolution designating the week of October 8, 1989 through October 14, 1989 as "National Job Skills Week." I am happy to note that for the fourth straight year, Senator GORE is introducing identical legislation in the Senate.

The point of this resolution is straight forward and bipartisan. Economic competition among nations is increasing, and for America to meet this challenge, its work force must become more highly skilled. Republicans and Democrats agree that to keep our Nation competitive, our businesses need workers who have strong literacy and math training.

Labor Secretary, Elizabeth Dole, says we are becoming a society where jobs increasingly go to only those workers with the skills required by the new, highly competitive, information based economy. She says "many of (today's) workers don't have the basic skills they need to function in the jobs available now, much less the jobs of the future."

This "skills gap," she says, already costs businesses "billions of dollars in lost productivity, absenteeism, poor product quality, and lost time." But even more importantly, Secretary Dole urges that "we must act now if we are to avoid the haunting possibility of a permanent underclass of 'unemployables,' concentrated in poor, inner city neighborhoods afflicted by drugs and crime, and isolated from the Nation's economic and social mainstream."

I agree wholeheartedly with those comments by Secretary Dole. We need only look around us to see that a head-on collision is coming. Computer use increases, while America's reading skills decrease. Robotics use increases, while America's math skills decrease. Nine million Americans go unemployed, while business begs for highly skilled workers. Clearly, if we are to remain competitive as a nation, then we must have a work force that is competitive.

"National Job Skills Week" focuses attention on the need for a skilled work force, as well as efforts by business and government to provide it. For without a foundation of basic skills, there is no hope of effectively using the technology of today and tomorrow. I urge each of my colleagues to join with me in passing this resolution for the fourth year in a row.

NATIONAL HOSPICE MONTH

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. GRADISON. Mr. Speaker, today I am introducing a joint resolution to designate the month of November in 1989 and 1990 as "National Hospice Month." I am delighted that the distinguished chairman of the Budget Committee is joining me once again in sponsoring this resolution. Similar resolutions, which I introduced each year beginning in 1984, received strong bipartisan support and were enacted.

Hospice—an innovative, comprehensive, compassionate approach to caring for terminally ill persons as well as their families—has become a respected, viable partner in the Nation's health care system. Hospice care is now a permanent benefit under the Medicare Program and an option under the Medicaid Program.

Each year, thousands of families face the crisis of caring for a family member with a terminal illness. Hospice provides a unique program of support and care, allowing patients to remain in the familiar surroundings of their own homes or in homelike inpatient facilities. The delivery of services by a team of physicians, nurses, social workers, therapists, clergy, and hospice-trained volunteers concentrates on enabling patients to live as meaningfully and as comfortably as possible until their death. Today, there are about 1,700 hospice programs across the country.

This humanitarian method of care has proven to be an excellent way for patients and their families to cope with the stress and emotion of a terminal illness. While awareness of and support for the hospice concept has grown dramatically over the last few years, there remains a need for public education regarding the benefits of hospice care. It is also appropriate that we recognize the significant contributions made by those involved in the provision of hospice services and in the advancement of the hospice philosophy.

The public education and recognition programs conducted during National Hospice Month will continue to expand the knowledge of and support for hospice care.

I am very pleased that a similar resolution is being introduced today in the other body by Senator LLOYD BENTSEN.

IRVING KESSLER LAUDED

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. LEHMAN of Florida. Mr. Speaker, I would like to salute Irving Kessler upon his retirement as the executive vice chairman of United Israel Appeal. The United States Congress has since 1975 joined in assisting the resettlement of Jewish refugees in the State of Israel. The United Israel Appeal, a registered private voluntary organization, is respon-

sible for disbursing U.S. funds through the Jewish Agency for Israel. Irving Kessler, as the senior administrator of United Israel Appeal, has guided many of us to a greater understanding of the program, its aims, and accomplishments.

Irving Kessler was raised in Boston and earned degrees in history and government at Tufts University and at Columbia. He served with the U.S. Armed Forces during the Second World War and volunteered his services during the establishment of the Israeli State. He was the assistant director for Israel bonds and, subsequently, director of the Labor Zionist Organization in Boston. He later held positions with the Combined Jewish Philanthropies of Greater Boston and went on to become the assistant director and then the executive director of the Hartford Jewish Federation. In 1974, Irving assumed the position of executive vice chairman of the United Israel Appeal.

In his private life, too, Irving Kessler has followed in that great American tradition of volunteer service. He has served as president of the world Conference of Jewish Communal Services, as an associate member of the executive of the Jewish Agency for Israel, as chairman of the professional advisory committee to the Hornstein School of Jewish Communal Service at Brandeis University, as a member of the executive committee of the American Council of Volunteer Agencies, and as a trustee of the Association of Jewish Community Organizational Personnel.

Irving Kessler has left a remarkable record at the United Israel Appeal and in the American Jewish community. I believe that his career can be understood best in the words of the early leader of the Zionist movement, Theodore Herzl. It was Herzl who said, "If you will it, it is no dream." Irving Kessler believes that when you put your mind to it, when you add your own heart, sweat, and toil, and when you give your all, one person can make dreams become reality.

On the occasion of his retirement, I wish to applaud Irving Kessler's good work. I wish him well and thank him for the service rendered to the United Israel Appeal and to the American people.

THE DISTRICT OF COLUMBIA'S TRIO PROGRAMS 1989

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. FAUNTROY. Mr. Speaker, I wish to pay tribute to the District of Columbia's Trio programs developed to provide individualized guidance, counseling, tutoring and cultural enrichment for students seeking to improve their status in the community.

Since passage of the Higher Education Act of 1965, post-secondary planning for disadvantaged youth and adults has been addressed by federally-funded student support service programs around the country.

In the District of Columbia 6 programs—funded by the U.S. Department of Education—assist approximately 4,000 District residents

each year who eventually matriculate into higher education.

Working in cooperation with secondary and post-secondary institutions, community agencies and Government, local Trio programs play an important role in encouraging upward mobility and enhancing educational opportunities for low-income, first-generation students.

The District of Columbia's Trio programs are also an important retention mechanism for physically handicapped students in higher education and provide information about financial and academic assistance to District residents.

As a measure of outstanding success, the Trio programs coordinated by Directors Joseph Bell, Paulette Morgan, Jerry Feliciano, Anita Coleman, and John Reymier recently saluted the achievements of several Trio students.

Included among the students are Brad Mims, legislative director for Congressman JOHN LEWIS; Rhodes Scholar Barbara Harmon-Schamburger; Yolanda Galloway; attorney for Jones, Day, Reavis and Pogue; and Ronald McGowan, accountant for Peat, Marwick and Main.

I share with you the future leaders of America.

RECOGNIZING THE FAMILY COUNSELING SERVICE ON THE OPENING OF ITS NEW MAHWAH, NJ OFFICE

HON. MARGE ROUKEMA

OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mrs. ROUKEMA. Mr. Speaker, I would like to take this opportunity to honor and thank an extraordinary organization, the Family Counseling Service, of northern New Jersey. It was founded in 1956 to serve a real and tangible need; that is, helping families cope with emotional crisis. The Family Counseling Service, a United Way of Bergen County affiliate, extends its professional services to the families of my district with offices in Ridgewood and Oakland. Today I would like to pay tribute to the Family Counseling Service on the opening of a new office in Mahwah on March 20.

The mission of the Family Counseling Service is to strengthen the family through a professional and sophisticated program of education and treatment. Its dedicated staff of psychiatrists, clinical social workers, and counseling specialists meet a variety of needs which face families in the wake of depression, substance abuse, divorce, or death. This nonprofit, confidential, and comprehensive approach to healing has answered the prayers of countless families in desperate need.

Mr. Speaker, as Members of Congress, we must follow the example of the Family Counseling Service and support policies which strengthen the family. I would like to commend Robert B. Jones, executive director, Joan K. Wrede, president of the board of trustees, and Douglas Dittrick and Norman F. Nelson, vice presidents, for their leadership and dedication. To them, I extend the good wishes and gratitude of all those whose lives

have been touched by the Family Counseling Service.

PROTECT OUR CHILDREN FROM TELEVISION VIOLENCE AND OBSCENITY

HON. RONNIE G. FLIPPO

OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. FLIPPO. Mr. Speaker, I join my colleagues in introducing the Television Violence Act which will address the problems of violence and obscenity on television. This bill will allow the television industry to undertake collective voluntary measures to curb the violence in programming seen by children without being subject to the antitrust laws for a period of 3 years.

As the father of six children, I know how difficult it is to protect our children from corrupt influences in society. Everyone must do their part to see that the next generation of leaders is prepared academically and morally to keep our country powerful and free. Television can be a strong and effective tool to educate our young people, but television industry leaders must meet and implement guidelines to reduce television violence and obscenity.

The Television Violence Act does not dictate the content of television programming, but allows network leaders to meet together to address this important issue. Congress is encouraging the television industry to be accountable for the influence which they exert over the minds of young people. Television programming should be inspiring and enlightening and should avoid the depraved. This bill simply challenges our television leaders and provides them with an opportunity to work together to put quality television within the reach of children.

In the 100th Congress we achieved successful enactment of the Child Protection and Obscenity Enforcement Act, and a number of my colleagues and I have continued action for children by cosponsoring and vehemently supporting the Child Protection Act in the 101st Congress. This legislation will add the sexual exploitation of children as a provision under the Racketeer Influence and Corrupt Organization statute [RICO], and will provide for stronger punishment for persons convicted of sexual exploitation of children.

We should all be dedicated to protecting children and strengthening the moral fiber of our society. Children, not unlike their parents, spend a large part of their leisure time watching television. Adults have the responsibility to see that television has an educational and beneficial influence on children and not a corrupting one. Congress can help the television industry meet this challenge by passing the Television Violence Act.

AMERICA MUST GUARD
AGAINST LAND AND WATER
CONTAMINATION

HON. JOE KOLTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. KOLTER. Mr. Speaker, I would like to bring to the attention of my colleagues a very serious environmental problem. This problem, however, unlike many which confront us today, is one in which a solution is within our reach—in fact, we have the technology, it is affordable and quite feasible to undertake. The problem to which I refer is contamination of our water supplies.

Each year, billions of gallons of potable water are lost. Last year, for instance, on January 2, hundreds of thousands of residents of communities surrounding Pittsburgh were without water for over 1 week when an oil storage tank at the Ashland Oil facility erupted, spilling over 700,000 gallons of diesel fuel into the Monongahela River. You may also recall the tragedy that occurred in South Dakota when a 1,000 gallon gasoline spill at the Williams Pipe Line Company's facilities reached ground water supplies. That particular incident occurred early in 1987 but underscored the danger such storage tanks can pose as Williams' equipment was responsible for the contamination of either water or soil in the South Dakota area eight times since October 1983.

Mr. Speaker, current regulations require that storage tanks near navigable waters have a secondary means of containment. In most cases, this simply consists of an earthenwork dike around the tank. Needless to say, in the event of an emergency, existing secondary systems can prove grossly inadequate, in that they fail to protect the public health and safety. As I stated earlier, we possess the technology to prevent this type of disaster. I am referring to a liner system. Such systems are already required in above ground storage tanks containing hazardous wastes. However, more accidents could be prevented if we were to extend this requirement to apply to secondary containment of oil storage tanks as well. These liners, usually made of polyethylene plastic have proven very effective at permanently eliminating the problem of leakage. These liners actually strengthen storage dikes and have also actually helped in leak detection. Not only can liners prevent contamination of drinking water supplies but they can be used to restore tanks themselves.

Mr. Speaker, protection of the environment and the public's welfare is of the utmost importance. Contamination of our land and our water supplies must be guarded against. I strongly suggest that the Environment Protection Agency examine the potential for a liner requirement that would help to prevent any future tragedies.

THE ARIAS PEACE PLAN: A
BROKEN DREAM

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. CRANE. Mr. Speaker, if recent history has shown us anything, it has shown us that Communist governments break international agreements with appalling regularity. From Yalta to Helsinki to numerous arms agreements, the Soviet Union and its surrogates have shown a remarkable propensity to break agreements.

Nicaragua is a Soviet client state, and Congress should have no illusions regarding Sandinista compliance with the Arias peace plan or any other peace agreement that the current Nicaraguan dictatorship may enter into with its Central American neighbors. Indeed the Sandinistas have already established a track record of broken promises.

In 1979, when they needed the support of the Organization of American States to legitimize their regime, they promised to allow political pluralism, maintain a truly mixed economy, respect human rights, and conduct a non-aligned foreign policy. These promises allowed the Sandinistas the time they needed to consolidate their power in Nicaragua, power that enabled them to break each of the aforementioned promises.

The only force which has proven itself able to pressure the Sandinistas into honoring their promises are the Nicaraguan freedom fighters, commonly referred to as the Contras, who the United States has intermittently supported. The Congress has cut off all of the vital military aid to the Contras, and has, in effect, allowed the Contras to wither on the vine.

Congress is disregarding history at the expense of the freedom of the people of Nicaragua. It is with these thoughts in mind that I respectfully submit the following report for the RECORD.

THE ARIAS PEACE PLAN: A BROKEN DREAM

In February of 1987, Oscar Arias of Costa Rica introduced his now famous Central American Peace Plan; it was signed six months later by the leaders of all five Central American countries. Although the plan addressed the entire region, in essence, it was meant to end the 9 year-old conflict in Nicaragua. Unfortunately, for the people of Nicaragua, the Arias Peace Plan has thus far been a failure.

By signing this Peace Plan, Daniel Ortega committed the Sandinistas to working toward the democracy they had promised the people of Nicaragua nine years before. However, as was the case in 1979, it would seem that Ortega's true intention in signing the Arias Peace Plan on August 7, 1987, was to buy time in crushing all internal and external opposition rather than promoting the principles of democracy.

In March of this year, the Nicaraguan Democratic Resistance met with the Sandinistas face to face in Sapoá, Nicaragua. Resistance leaders were confident that they had reached an agreement with the Sandinistas that would finally mean "peace with freedom" for the Nicaraguan people. This was not to be the case.

Within two weeks of signing the Sapoá Agreement, the Sandinistas violated its

terms. In exchange for a "definitive cease-fire," under which the Resistance would agree to lay down its arms, the Sandinistas promised, (1) an internal dialogue in which members of the Resistance would be allowed to participate, (2) unrestricted freedom of the press, and (3) release of all political prisoners. Sapoá called on the Sandinistas to sign an agreement by April 6, establishing a resupply system and cease-fire zones which Resistance forces were to occupy during a 60-day truce.

Once the occupation was under way, the Sandinistas would have to follow through with the commitments made at Sapoá. This never happened because the Sandinistas reneged on signing the agreement establishing a viable resupply system for the Resistance forces. Since that time, the Sandinista regime has disavowed itself from any agreements involving democratization and Sapoá, while at the same time using the cease-fire to their advantage.

While Nicaraguan Resistance troops are forced to become refugees in Honduras, the Sandinistas have been working aggressively to wipe out all forms of opposition within Nicaragua. For some reason, liberal democrats in the U.S. Congress have stood by and watched as the Sandinistas increase their oppression in Nicaragua, thus leaving the situation more desperate than before the Arias Peace Plan's introduction. Because the House Democratic leadership has remained faithful to Sandinista promises of democratization, the Nicaraguan Resistance is being stripped of its ability to remain a viable opposing force to the Sandinistas. This is a dangerous development for both the people of Central America and the United States.

It is now clear that the Sandinistas have no intention of working within the framework of either the Arias Peace Plan or the Sapoá Agreement. The future of Nicaragua has never been more bleak. The hope that the Arias Peace Plan originally inspired within the people of Nicaragua has turned into a nightmare. To continually ignore Sandinista insincerity toward peace can only make things worse for those who must live their daily lives under this tyrannical regime. It is time to hold the Sandinistas accountable.

ON THE DEMOCRATIC FRONT

DEAR FRIENDS: For almost eight years thousands of brave men, women and children have been sacrificing their lives in order to secure a long-desired free and democratic Nicaragua. Like those freedom fighters of the American Revolution who fought and died so that future generations of Americans could live in a pluralistic society where the rights of the individual come first, so do these dedicated Nicaraguans desire to benefit from the fruits of democracy.

When given the opportunity, the Nicaraguan Resistance was able to perform surprisingly well against a military force receiving over \$40 million a month in Soviet military aid. Now, because certain members of Congress decided to place their trust in Daniel Ortega, the Resistance is no longer seen as a viable threat to the Sandinistas.

Unfortunately, the new Republican administration is faced with a dilemma that goes beyond whether the Resistance remains a capable opposition. The problem now centers around whether the next administration is going to allow the intense human suffering and the increased threat

to neighboring democracies (including the United States) that has resulted from nine years of communist rule.

Already we see the negative results of a policy that has left the Nicaraguan Resistance without U.S. military aid. The Sandinistas have increased internal repression and have been able to focus their attention on the Communist insurgents in El Salvador known as the FMLN. The rise in FMLN guerrilla activity throughout El Salvador can be directly attributed to Sandinista assistance.

Another problem facing the new administration is the increasing flow of refugees into the United States (400 per week) because of persecution and the tragic state of the communist Nicaraguan economy. To quote Dr. Albert Saborio, president of the Nicaraguan Bar Association, "Six months ago the belief that Nicaragua could change was sustaining the people, but now they've lost all hope. Nicaragua is going to remain in the Soviet camp, and the people are looking for an escape."

The Nicaraguan Resistance does not want war, we want peace and freedom. One only has to look at the Sapoa Accords to understand this fact. And, as the United States has learned in dealing with the Soviet Union, peace is better served through strength. I am of the opinion that the same applies to Soviet client states.

With the help of President Reagan and President-elect Bush, the Democratic Resistance was able to come close in achieving its ultimate goal of freeing the people of Nicaragua from the tyrannical grip of the communists. For this assistance I sincerely thank both of them. However, the battle is far from over despite what has been written in the American media. Our struggle for freedom will continue for as long as it takes to rid Nicaragua of the despotic Sandinistas.

Abraham Lincoln once said, "Those who deny freedom to others deserve it not for themselves, and under a just God cannot long retain it." The Nicaraguan Resistance believes this to be true, and as long as these ideals remain alive in the hearts and minds of the Nicaraguan people, the commitment will remain alive in us as well.

Sincerely,

ADOLFO CALERO.

THE INTRODUCTION OF THE AMERICAN CONSERVATION CORPS ACT OF 1989

HON. PAT WILLIAMS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. WILLIAMS. Mr. Speaker, I rise today to introduce the American Conservation Corps Act of 1989.

I have taken the bill introduced in prior years by Chairmen UDALL and SEIBERLING and more recently by Senator MOYNIHAN as S. 232, and strengthened the worker provisions relating to displacement as well as the education and training provisions of this act.

I look forward to working with my other colleagues in the House, especially Representative UDALL, PANETTA, and MARTINEZ who have chosen to combine this bill with other national service opportunities to develop the best bill possible on this issue.

A CELEBRATION OF YOUTH ESSAY CONTEST—"HOW CAN I MAKE THE WORLD A BETTER PLACE IN WHICH TO LIVE"

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. FAUNTROY. Mr. Speaker, I am honored to rise in this noble Chamber and salute the accomplishments of the winners of "A Celebration of Youth" essay contest.

These budding young writers accepted with zeal the challenge to explore and examine how the theme applied to everyday life as well as their life dreams.

Ten-year-old Joy Owens, a fifth grader at Garfield Elementary School, won first place in the elementary division. Joy lives with her mother and grandparents, and loves to read and save money. She plans to become a pediatrician.

Joy wrote:

I look at the world around me and sometimes I feel sad because of the things I see. It won't be long before my generation will be in charge of the world. We will be making major decisions which will effect us and others. From the way things look today, that's really a scary thought since I see kids my age using drugs, not respecting, nor caring about what they are doing. They seem to have lost hope. This has got to change. Michael Jackson says that we should start with ourselves and I believe that I can make the world a better place by starting with me.

Joy's teachers are Mrs. Carolyn Brown and Mrs. Saralee Bennett. The school's principal is Mr. William M.R. Pitts.

Rebekah Phillips, an 11-year-old sixth grader who attends Raymond Elementary School, won second place in this division. Rebekah is described as "sweet and caring." She likes to write and has written many short stories.

Rebekah wrote:

"I Can Make the World a Better Place in Which to Live" by trying to stop my family and friends from being prejudice[d]. So let's try to be nice in almost any mood you're in. Open up to a person that may not be your color—or if they ask you a question or need a friend. Let's all fight prejudice and make the world a better place in which to live.

Rebekah's teacher is Mrs. Gloria Younger. Ms. Deborah Nesmith is the principal.

Arthur Cheoley, a 12-year-old sixth grader at Draper Elementary School won third place in the elementary division. Arthur likes buses, airplanes and helicopters and enjoys participating in school plays and special programs.

Arthur wrote:

As a sixth grader, I can take time with small children, listen to what they say, and teach them new things. I have a younger brother who mimics my every move so it is very important for me to set a good example.

There is something that each of us can do. If we all do some of the little things, we will be surprised at what a big difference we can make.

Mrs. Cora Kirby is Arthur's teacher and Mr. Edward Stewart is the principal.

Jennifer Valentine, a ninth grader from Eliot Junior High School won first place in the junior high division. Jennifer is a member of the band, the Junior Honor Society and on the senior class committee.

Jennifer wrote:

The most important thing that I can do to make this world a better place in which to live is to make sure that I do not commit any acts which will bring disgrace to myself, my family or anyone with whom I associate. Another thing that I can do is to secure my future by getting my education now. If I do my very best now, then most likely my future will be a productive one.

Jennifer's teacher is Ms. Sharon Graham and Dr. Rosella Bardley is the principal.

Janine Francis, a student from Woodson Junior High School won second place in this division. Janine has won several writing contests and enjoys tennis and gymnastics. She is a member of the academic club, the beta club and the school band.

Janine wrote:

As a beginning, I practice discipline in my home where I live with my mother and younger sister. We show respect for each other in the home. Both my grandparents and parents disciplined me in the way they were taught. They have taught me that charity begins at home. I try to respect others and make a good impression on people in hopes that respect will spread from my actions.

Mrs. Bethena Best is Janine's teacher and the principal is Mr. James C. Greene.

Malion A. Bartley, a student at Jefferson Junior High School won third place in this division. Malion enjoys public reading, reading, and soccer. He is a member of the student government and the Junior Honor Society.

Malion wrote:

I Can Make the World a Better Place in Which to Live by spreading one word that is a necessity to me and for everyone in this great world. This one word is faith. If we have faith in ourselves now, we could do something in order to make the world a better place in which to live.

Ms. Rachel Hicks is Malion's teacher and the principal is Mrs. Vera M. White.

This annual writing competition is sponsored by A Celebration of Youth under the leadership of Mrs. Dodie Brady and Ms. Charlotte Travieso. Their vision and commitment is to "assist in bringing greater self-esteem, confidence, and a sense of positive purpose to people in all walks of life".

Today because of A Celebration of Youth, we are privileged to witness the raw material of human possibility. Tomorrow, far beyond any expectation, these seeds of potential will bear a mighty fruit.

ACCESS TO BASE CLOSURE COMMISSION PAPERS IS EASIER SAID THAN DONE

HON. EDWARD R. MADIGAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. MADIGAN. Mr. Speaker, the Base Closure Commission Cochairmen, Messrs. Rib-

coff and Edwards, have testified publicly before the House Armed Services Committee Subcommittee on Military Installations and Facilities and the Appropriations Committee Military Construction Subcommittee. In their remarks, these gentlemen have repeatedly stated that there is nothing secret in the Commission's papers and that everyone, including members of the press, should have access to them.

"Come on down" is the invitation. The papers are available in a reading room located just to the right of the elevator. It all sounds so simple. What is not mentioned is that a security clearance from the Office of the Secretary of Defense is required.

A member of my staff has applied for this temporary, interim, one-time-only security clearance for the sole purpose of viewing the Base Closure Commission's papers. In fact, the OSD processing officer has advised that my staff member was the very first applicant for this limited security clearance. The application paperwork and fingerprinting were completed on February 27. On February 28, this information was sent by messenger to the Pentagon. There is still no word as to when this clearance will be available.

I would like my staff to be able to accept the Commission Cochairmen's invitation to "come on down." However, this is impossible because the required security clearance application remains unprocessed.

Mr. Speaker, this is just one more example of the enormous difficulty encountered by this Member in attempting to obtain basic information regarding the Commission's recommendation that Chanute Air Force Base be closed. The economic impact of this proposed closure on my constituents is devastating. Yet, I cannot obtain very basic information regarding the economic justifications and rationale for the Commission's recommendation.

Mr. Speaker, I have been forced to file freedom-of-information requests with both the Base Closure Commission and the Department of the Air Force. I do not believe any Member of the House of Representatives should be treated in the manner that I have been. What is happening here strikes at the very heart and strength of this institution, and I want to bring this very serious matter to the attention of my fellow Members.

PROTECT STRIKING WORKERS FROM BEING PERMANENTLY REPLACED

HON. JOSEPH E. BRENNAN

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. BRENNAN. Mr. Speaker, today I am introducing legislation to prohibit companies from hiring permanent replacement workers during the first 10 weeks of a strike. Like H.R. 4552, the measure I introduced during the last Congress, this legislation amends the National Labor Relations Act to provide limited protection to men and women who withhold their services as part of a labor dispute.

As you may know, a fundamental inconsistency exists in our present labor laws: workers

are guaranteed the right to strike, but not protected from being permanently replaced. Under present law, a company can offer an outrageously unacceptable contract, effectively incite a strike, and then immediately replace striking workers with new, permanent employees.

The political and economic climate of the 1980's has encouraged a new aggressiveness on the part of management to exploit this loophole in our Nation's labor laws. During the last several years in my State of Maine, striking workers have, in two prominent instances, been permanently replaced within days of the beginning of a work stoppage.

In my mind, the permanent replacement of striking workers is not indicative of good-faith bargaining. Moreover, it makes a mockery of the spirit of the collective bargaining process. I ask you, where is management's incentive to negotiate if workers can, in effect, be fired for exercising their right to strike?

My legislation is a modest measure. It essentially establishes a 10-week protected period in which both management and labor have an opportunity to review their positions. While it protects striking workers from permanent replacement, it does not prohibit a company from using management or temporary personnel to continue operations.

I believe that working men and women deserve the benefit of a level playing field when they negotiate issues which directly impact their health, safety, and welfare. And, we in the Congress have an obligation to preserve that process which gives workers a voice in their future. I urge my colleagues to join me in restoring a measure of balance to the collective bargaining process.

NATIONAL STUDENT-ATHLETE DAY

HON. C. THOMAS McMILLEN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. McMILLEN of Maryland. Mr. Speaker, I have introduced legislation to designate April 6, 1989 as "National Student-Athlete Day." I believe the time has come to draw attention to student athletes and attempt to bring into balance academics and sports.

Unfortunately, we have let the imbalance between sports and academics go on for too long. It's time to gain a proper perspective on our priorities. When we sacrifice our educational principles on the altar of competitive sports, we do more than ruin the life of a young man or woman. We send a signal to all young people that thinking skills are less important than athletic skills. And in today's competitive world marketplace, that is not the message the United States should be sending. The commemoration of this day will demonstrate the House's support of a proper balance between athletics and education.

Last year, 44 States proclaimed April 6 as Student-Athlete Day; 10 States have already issued proclamations for 1989. A broad observance of National Student-Athlete Day will help educators promote the role of sports within education and emphasize the need for

a balance between school and sports. Special programs are being planned in some States for the day that include professional athletes, who have returned to college to complete their degree, speaking to students about the importance of an education.

I ask that my colleagues support this measure and promote the spirit of this bill to their young constituents.

INTRODUCTION OF THE FAIR LABOR STANDARDS AMEND- MENTS OF 1989

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. GOODLING. Mr. Speaker, today, the Education and Labor Committee ordered reported H.R. 2, a bill to increase the current minimum wage of \$3.35 an hour to \$4.65 an hour.

During the committee markup, I offered a compromise proposal which would increase the minimum wage from \$3.35 an hour to \$4.25 an hour. This compromise was defeated.

Several of my colleagues and I are today introducing this compromise so that the general membership of the House will know that there is a minimum wage proposal that will not result in the loss of 650,000 jobs as H.R. 2 would.

Specifically, the bill would increase the minimum wage to \$4.25 an hour over a 3-year period—that is, from \$3.35 to \$3.65 the first year, to \$3.95 the second year, and to \$4.25 the third year. Just as in H.R. 2, the tip credit would be increased to 50 percent, and the small employer exemption would be increased to \$500,000, except that the bill would not limit that exemption only to retail and service establishments. In addition, the bill contains a provision affecting newly hired workers: Employers would be permitted to pay newly hired workers 80 percent of the minimum wage or \$3.35 whichever is higher, for up to 6 months. Displacement of workers would be prohibited.

The goal of this compromise bill is to increase the minimum wage, while minimizing the job loss that would result in an increase in the minimum wage. The Labor Department has estimated that the \$4.65 wage rate proposed in H.R. 2 would result in the loss of 650,000 jobs. The \$4.25 wage rate proposed in my bill would result in the loss of fewer jobs, that is 450,000 jobs. The new hire wage would save 170,000 jobs, and the tip credit and small employer expansions would save about 60,000 jobs. Increasing the minimum wage to \$4.65—as in H.R. 2—instead of to \$4.25—as in my bill—would cause the loss of an additional 200,000 jobs. The job loss numbers alone could be the subject of great debate. I know that the estimates range from the very low to the very high, yet the Labor Department believes that its estimate is in the middle of the range.

Mr. Speaker, this is a bipartisan bill we are introducing today. The bill represents a 27-percent increase in the minimum wage and has the support of the administration. It is my

hipe to offer this as a substitute amendment to H.R. 2 during floor debate and urge my colleagues to support that amendment. I also urge my colleagues to cosponsor this legislation.

TRIBUTE TO THOMAS R. DEYULIA

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. FORD of Michigan. Mr. Speaker, it is with considerable lamentation that I announce, for the benefit of my colleagues who know him, the departure of Thomas R. DeYulia as staff director of the Committee on Post Office and Civil Service, which I have the honor of chairing.

Since 1983 Tom has served the committee with distinction and keen political insight. Through a very difficult period he has kept the committee on an even keel, while serving both the Congress and the people in a truly exemplary manner.

Tom has retired to become vice president for program and support services for CNA, one of the Nation's leading insurance organizations. And while I am indeed sorry to see him leave, I am pleased that he has earned such an enviable position in the private sector. I wish him well and know that he will take to the insurance industry the same kind of integrity and devotion that has been his hallmark as a key congressional staff person.

Tom began his congressional career in 1964 with our former colleague, James Hanley, of Syracuse, NY, my immediate predecessor as chairman of the Committee on Post Office and Civil Service. He became staff director of the Subcommittee on Investigations of the Post Office and Civil Service Committee in 1979, and staff director of the Subcommittee on Compensation and Employee Benefits in 1981, where he remained until he became staff director of the full committee in 1983.

He has been an invaluable member of that staff during a critical period, including the development of the new Federal employees' retirement system [FERS], and he played a major role in developing that imaginative program. He was, in fact, the key staff architect of FERS.

Those of you who know him, and many of you do, are aware of his keen ability to anticipate political problems and devise early solutions to them. I am certain, as well, that many of you have benefited from his shrewd ability to coordinate the building of coalitions so important to the legislative process.

From the time he took over a committee staff director, I have been impressed with his dedication to protecting the pay and benefits of Federal employees. He well understood that our Federal Government is losing its best and brightest people because pay and benefits have fallen behind.

Tom DeYulia is truly a professional who has demonstrated a dedication to service and integrity. We are going to miss him and his remarkable political judgment.

EXTENSIONS OF REMARKS

TRIBUTE TO PETE GABRIEL

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. TRAFICANT. Mr. Speaker, St. Patrick's Day is a time to celebrate, a time to rejoice, and certainly a time to be thankful. It is also a time to contemplate, reflect upon, and honor those in the past who have given so freely of their time in hopes of keeping St. Patrick's Day the special occasion that it is. Mr. Pete Gabriel, who resides in my 17th District of Ohio, is deserving of this recognition.

Pete is the founder of the Pete Gabriel's St. Patrick's Day Parade. This year will mark the 11th consecutive year that this magnificent parade will have moved up and down the streets of our community. And, I speak on behalf of my district when I say that we are all looking forward to it.

Peter is a very highly talented, skilled, and regarded radio announcer for WKBN. He became interested in radio announcing when he applied for a part-time job at the base air station while serving in the Azores as an air policeman. After being honorably discharged, he decided to start a career as a civilian radio announcer at WMLP in Milton, Pa. In 1965, Pete became the public service director and the production supervisor of WPEC in Harrisburg, PA, in addition to being a radio announcer for that station. Also, in 1967 Pete was the winner of the Maclean's toothpaste national disc jockey contest for the best locally written and produced commercial.

Pete Gabriel has been happily married for 27 years to Sandy McCormick. They have three children—Wynne 25, David 22, and Lori 16, all of whom have provided a tremendous amount of love and support throughout the years.

At every step, Pete Gabriel has left behind a legacy of excellence and accomplishment. He is a great man who has given and continues to give much to the community. And, while I am standing here today, I would like to give Pete Gabriel something in return. I would like to give him my sincerest thank you, my deepest congratulations, and my best wishes for the future.

TRIBUTE TO JOE ED CARTER

HON. JOHN S. TANNER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. TANNER. Mr. Speaker, I rise today to recognize Mr. Joe Ed Carter, a lifelong resident of the Eighth District of Tennessee. What makes Mr. Carter such a special resident of Tennessee is the fact that he celebrated his 106th birthday on March 10.

Mr. Carter lives in the community of Wynnburg, TN, in Lake County. He remains an active participant in the community and works regularly in his garden.

There is no question that attaining such a milestone in age is an achievement that holds lessons for us all. Throughout his life, Mr.

Carter has been a patriotic, hard working American. He has devoted himself to his family, his community, and his State.

He has been rewarded with a long and productive life of which all of us should take special note. I want to take this opportunity to express my personal congratulations to Mr. Carter on the occasion of his 106th birthday.

HONORING THE ROCKWALL ROTARY CLUB

HON. RALPH M. HALL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. HALL of Texas. Mr. Speaker, on March 15, the Rockwall Rotary Club in Rockwall, TX, will celebrate its 50th anniversary.

I wish to commend this club on their 50 years of service and dedication to the Rockwall community.

Their motto "Service Above Self" is evident in the club's active participation in Rotary International's Polio Plus Program to eradicate polio in developing countries and regions worldwide. Each Rotary Club determines its own service activities which benefit youth, the disabled, the elderly and various other segments of the community. Among its numerous endeavors, the Rockwall Rotary Club chooses to sponsor one of the largest 4-year scholarships for a high school senior each year in the Rockwall Independent School District.

Since its charter in 1939, the club has grown to over 60 members, counting among them many of the community's leaders—and is one of the few clubs to own its own building. As one of its 50th anniversary projects, the Rockwall Rotary Club sponsored the creation of the Rockwall Rotary Breakfast Club will receive its charter on March 15, 1989, 50 years from the day the original club was chartered.

The Rockwall Rotary Club is one of over 23,000 Rotary Clubs located in 160 countries worldwide and has more than 1 million professional men and women as members.

The 49 men who have served as President during the club's 50 years are: Forest Stephenson, Foy Thomas, James A. Wilkerson, Tom Rush, Melvin Shook, Edgar L. Edwards, Fred B. Hamilton, J.O. Wallace, Jack Cunningham, James L. Glenn, Jess Whittle, Robert F. Polk, Martin D. Wimpee, Henry Zollner, Ralph M. Hall, Oliver Nevil, Frank Clark, Raymond B. Cameron, Ollie E. Steger, Leon Smith, Lloyd Hairston, R.G. Hagood, M.L. Jones, James D. Kelly, Forest Stephenson, Fobert May, Bill R. Cameron, Galen Williams, Art W. Wier, Donald Stodghill, Frank A. Robertson, Gerald Burgamy, Ted Cain, Richard Harris, Davis H. Canup, Jerry Lockart, Mickey Florence, Walter Zimmerman, Bruce Beaty, Gary Tarpley, Dennis Vierling, Blake Miles, Bob Cook, Art Kuhlman, Jack Horn, R.D. Vanderslice, Jimmy Williams, Kent Smith, and Ted Hosington.

Mr. Speaker, as the House of Representatives adjourns today, let's do so in honor of the Rockwall Rotary Club, its officers, and its many members who do truly put service above self.

HONORING ROBERT V. LIGGETT

HON. DUNCAN HUNTER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. HUNTER. Mr. Speaker, I would like to take this opportunity to honor Robert V. Liggett on his retirement after 42 years as a newspaperman. For 21 of those years Bob served as the managing editor of the Imperial Valley Press and The Brawley News. On March 17, Bob will be roasted by his "good friends and esteemed colleagues," at the Barbara Worth Country Club in Holtville, CA. While they may not seem so friendly and collegial at the roast, I'd like to take time out to express my own appreciation for his service to the people of the Imperial Valley.

Bob Liggett began his career in the press, while he was attending Eastern Michigan University, as a general assignment reporter for the Ypsilanti Daily Press. After college, Bob worked for 18 years at the South Bend Tribune as copy editor, bureau chief, editor of the Indiana and Michigan editions, and assistant city editor.

As the past president of the South Bend Press Club, the El Centro Rotary Club, and the El Centro Chamber of Commerce, Bob Liggett has set himself apart by his service to the community. He has served as the chairman of the board of the Imperial Valley Division of the American Heart Association and is currently their president. Bob has been the lay leader and president of the Methodist Men's group at the First United Methodist Church of El Centro, where he remains an active member.

Bob served the people of the Valley well during his tenure at the Imperial Valley Press. Over the years Bob and the I.V. Press have covered storms, earthquakes, water negotiations, agriculture issues, and the successes, and failures, of the Valley's political representatives. Bob has taken the paper from a relatively small operation, to a modern, vibrant, and strong daily publication.

I don't know what Bob has planned for his retirement. I suspect that he'll be able to spend much more time with his grandchildren and family. I wish him the best of luck, and join the citizens of Imperial County in thanking him for his many years of service.

HONORING DONALD R. DUNLAP
ON HIS RETIREMENT

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. CONTE. Mr. Speaker, I rise today to pay tribute to Mr. Donald R. Dunlap who, after completing 45 years of service to the United States of America, is retiring. Mr. Dunlap has exemplified the ideals of commitment and dedication throughout his 45 years in service to his country.

Mr. Dunlap's dedication to the United States is exhibited by the positions he has held. He began his 45-year career by entering the U.S.

Air Force, at age 17. He spent many arduous hours of training in PA-18's, T-6's, T-28's, and T-23's. He graduated from the Air Force flight school and went on to fly B-25's, T-29's and finally, B-47's. His enthusiasm and skill toward his work enabled him to become a combat crew member for the Strategic Air Command where he spent the next 8 years serving as an aircraft commander. Logging over 5,000 hours of flight time, he still managed to hold several staff positions.

After 21 years of military service he never considered retiring, choosing to continue working as a civilian. Immediately following his Air Force career, he started at the Department of Defense as a civilian training director for the eastern region communication headquarters in Chicopee, MA.

Two and a half years later he began to work as an air traffic control specialist at Bradley International Airport in Windsor Locks, CT, until his transfer to Westfield, MA. Four years later, he became a supervisor and participated in the commissioning of a new control tower at Barnes Airport. Donald Dunlap has been a true asset to the community by helping young air traffic controllers succeed in their quest for obtaining demanding jobs at higher level facilities throughout the country. On many occasions during his career, Don was singled out for his excellent performances.

Mr. Speaker, Donald R. Dunlap is a remarkable man who will be greatly missed. There are thousands of individuals who have been extremely fortunate to receive the fruits of Don Dunlap's labor.

I salute Donald Dunlap. His accomplishments, spurred by his love and dedication for our country, are impressive. His absence will be a loss to all who have learned from him and benefited from his hard work and abundant energy. I wish him a long and happy retirement.

REPEAL TAX CODE'S SECTION 89

HON. BEN ERDREICH

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. ERDREICH. Mr. Speaker, providing benefits to employees is a priority for many businesses. Public policy has supported these efforts by tax deductions and exemptions from income for many employee plans providing retirement income, disability, and death benefits, educational benefits, health benefits, and many other types of employee plans.

The Tax Reform Act of 1986 added section 89 to the Internal Revenue Code. This section requires that nondiscrimination tests be performed on all employee plans. These tests are designed to ensure that the plans are not discriminating against lower compensated employees. If the test finds that discrimination does exist then highly compensated employees are required to include in their gross income the amount of the excess benefit provided by the plan.

I have not found anyone who advocates discriminatory employee plans, but the test that has been proposed by the Internal Revenue

Service is highly complex and far beyond the ability of many employers to perform. The complexity is shown by the delay that the IRS had in issuing the regulation. Many employee benefit counsels and consultants have taken the position of advocating that the tax is far cheaper to pay than the expense of the test.

I have talked with and heard from many business men and women in my district, and they have indicated that the tests mandated by the IRS are far too complex. The section should be repealed and other approaches considered to ensure that no discrimination exists in any employee plan. I am an original cosponsor of H.R. 634, which would repeal this section.

The ability of American business to effectively and properly provide for the welfare and interests of its employees should not be impaired by the Federal Government. The Government does have an interest in ensuring that if a benefit is provided by an employer, that the benefit be equally available to all employees. But the methods employed in making that determination must not be so onerous as to make the benefit meaningless.

That's why, Mr. Speaker, this Congress should move to repeal section 89.

THE GREENSBORO YMCA

HON. HOWARD COBLE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. COBLE. Mr. Speaker, on Monday, March 20, 1989, a time capsule will be buried in Greensboro, NC. There will be all types of items placed within the time capsule to note of the people, places, and things that make up our world today. The purpose of the time capsule is to commemorate 100 years of service by the Greensboro Young Men's Christian Association, or as it is commonly known, the YMCA.

For a century, the YMCA has been serving our community. For 100 years, the Greensboro YMCA has been a place where people could gather to learn, to play, and to grow. For 100 years, the YMCA has served men and women of all ages. We pause to reflect on the first 100 years of service to our community, and we look forward to the next 100 years. Sometime in the future, when this time capsule is opened, the people who will look at its contents will know we valued the service that the Greensboro YMCA has provided.

The Greensboro YMCA has several branches around our city to provide quality recreational and community services to all segments of our area. We are fortunate to have dedicated staff members and volunteers to operate the various branches. We salute all of those involved in helping the Greensboro YMCA celebrate 100 years of service. Without the dedication of many people, these past 100 years would not have been possible.

Mr. Speaker, we are proud to say that for 100 years the Greensboro YMCA has been there when we needed it. On behalf of the people of the Sixth District of North Carolina, I wish to extend best wishes for the next 100 years.

SENATE JOINT RESOLUTION 24

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. PEPPER. Mr. Speaker, it gives me great pleasure to introduce today legislation designating the week of May 1-7, 1989 "National Older Americans Abuse Prevention Week." A companion measure, Senate Joint Resolution 24, has already been introduced by my distinguished colleague, Senator DENNIS DECONCINI of Arizona. This measure was enacted the past 2 years and I urge my House colleagues again to support it.

Each year, an estimated 1.1 million older Americans are the victims of physical, financial, and psychological abuse, neglect and the denial of their fundamental civil rights. Since the first landmark report issued on elder abuse in 1981 by the Select Committee on Aging, the number of cases has dramatically increased—by 100,000 abuse cases per year. With our growing elderly population, the figures are expected to soar even higher.

Regrettably, elder abuse occurs within every racial, religious, and socioeconomic group in America. It occurs in cities and rural areas, suburbs and small towns. Unfortunately, out of fear of retribution by their abusers, or for other reasons, only one of six elder abuse victims come forward to report incidents of abuse.

In many instances, elder abuse can be curbed simply by increasing information on appropriate intervention and prevention. Proclaiming this week, in the month traditionally designated "Older Americans Month," will go far toward educating and informing the American public. Therefore, I hope you Members of the House will join me in supporting this important measure.

INTRODUCTION OF NATIONAL INFERTILITY AWARENESS WEEK

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. WYDEN. Mr. Speaker, 10 years ago, the world marveled at the birth of Louise Brown, the first "test tube" baby. In the past decade, the infertility industry has mushroomed; this year alone, an estimated \$1 billion will be spent on treatments in the United States.

My subcommittee held two hearings to discuss the difficulties faced by infertile couples. At the first hearing, the subcommittee was repeatedly told by witnesses that infertile couples find it extremely difficult to obtain clear, understandable, and unbiased information about the performance of IVF clinics.

Many of these couples are desperate to have children. Some have been on an emotional roller-coaster for years, attempting to conceive through a variety of procedures. They are vulnerable to exploitation.

Nine physicians writing in the November 1987 issue of the American Fertility Society's news magazine described three major areas of infertility practice that are "highly suscepti-

ble to potential exploitation: Inappropriate use of credentials; misuse of new technologies; and truth in advertising."

The experts agree that these problems crop up because there is no official oversight of this growing field of medicine—either from private insurers or from the State and Federal governments.

Thankfully, the consumer education group Resolve, Inc. has taken on the responsibility of informing and educating couples about their rights and options available to them.

I am introducing National Infertility Awareness Week to call the public's attention to the problems these couples face. It is important to recognize that this new technology is a miracle for many and holds great promise. It is also important to recognize that information should be available to those who want to use these services, so that they can make informed choices.

I encourage my colleagues to join me by sponsoring National Infertility Awareness Week to improve the public's knowledge of this growing problem and the possibilities that exist for couples that suffer from infertility.

INTRODUCTION OF THE INTERNATIONAL SECURITIES ENFORCEMENT COOPERATION ACT OF 1989

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 14, 1989

Mr. MARKEY. Mr. Speaker, I am today introducing, along with the chairman of the Committee on Energy and Commerce, Mr. DINGELL, and the ranking minority members of the committee and the Subcommittee on Telecommunications and Finance, Representatives LENT and RINALDO, the International Securities Enforcement Cooperation Act of 1989. The legislation is cosponsored by Representatives ECKART, SLATTERY, BOUCHER, COOPER, MANTON, WYDEN, RITTER, MADIGAN, WHITTAKER, BLILEY, BILIRAKIS, and McMILLAN of North Carolina. Given this strong bipartisan backing for this proposal, I hope we can move forward on it very shortly.

This legislation, introduced upon request of the Securities and Exchange Commission, is a natural followup to the Insider Trading and Securities Fraud Enforcement Act of 1989, which I authored last year with Representatives DINGELL, LENT, and RINALDO. Given the inevitably increasing trend of globalization of our world's securities markets, we cannot effectively enforce our own securities laws without the maximum cooperation of other nations. The stunning stories of greed and corruption in Japan and France in recent months have highlighted the convergence of international opinion on the need for fair and honest financial markets.

The increasing internationalization of the world's securities markets is an unchallengeable fact of life. Advances in communications and computer technology permitting a 24-hour global trading market, links among exchanges and clearinghouses, and cross listings on and memberships in exchanges of several different nations have all greatly facilitated interna-

tional financial interdependence, particularly in the equities markets.

The potential gains from globalization are enormous. The expanded opportunities for market participation mean a larger pool of investors, thus increasing liquidity in the capital markets. Issuers of securities gain by being able to place their issues more easily in the marketplace, underwriters gain through reduced risks of underwriting in a more liquid market, and investors gain by having a wider choice of assets in which to invest. All of this activity should theoretically expand the opportunities for business to make the vital capital investments necessary to expand production, innovate, and create jobs in the future.

While internationalization carries obvious benefits, it also carries clear risks. Although the linkage of markets has proceeded rapidly, the linkage of regulation has not followed suit nearly so swiftly. There is today no global regulatory agency to oversee the markets and assure harmonization of laws and regulations to protect market participants. Therefore, it is left to individual sovereign nations to coordinate their own laws and regulatory efforts to assure fairer as well as more efficient market operations.

The proposed legislation would do the following: Grant an exemption from the Freedom of Information Act for documents provided to the SEC by foreign government authorities; permit the Commission to sanction securities professionals based on violations of foreign securities laws; expand the authority of self-regulatory organizations to exclude convicted felons from membership based on violations of foreign laws; and authorize the SEC to accept reimbursement for expense incurred on behalf of foreign governmental authorities in their investigations.

Mr. Speaker, as the chairman of the Subcommittee on Telecommunications and Finance, I intend to move swiftly on this legislative proposal. There are many areas in the international marketplace in which competition is critical and we face tremendous challenges to compete effectively with other nations. But in the area of combating international securities fraud, the cornerstone must be not competition, but cooperation.

For the information of my colleagues, I am inserting into the RECORD at this point a section-by-section analysis of the legislation introduced today:

SECTION-BY-SECTION ANALYSIS OF THE LEGISLATION

Section 2: Section 2 of the Act amends Section 24 of the Exchange Act by adding new subsections authorizing the Commission to withhold from disclosure documents furnished to the Commission by foreign securities officials upon certain conditions.

Section 2(a): Section 2(a) is an amendment necessitated by the scheme of amended Section 24 of the Exchange Act, to which the Act adds several subsections. It strikes from Section 24(b) the sentence, "Nothing in this subsection shall authorize the Commission to withhold information from the Congress." That sentence becomes part of new Section 24(e) of the Exchange Act under Section 2(b) of the Act.

Section 2(b): Section 2(b) adds new subsections (c), (d), and (e) to Section 24 of the Exchange Act. New Section 24(c) clarifies the

Commission's authority to provide records, as defined in Section 24(a) of the Exchange Act, in its discretion and upon a showing that the information is needed, to any persons deemed appropriate by the Commission by rule. The subsection conditions this discretionary authority on the person receiving the information assuring its confidentiality as the Commission deems appropriate. Section 2(b) of the Act also adds new Section 24(d) to the Exchange Act. Section 24(d) states that notwithstanding the provisions of the Freedom of Information Act or of any other law, the Commission shall not be compelled to disclose records obtained from a foreign securities authority, if the foreign authority has in good faith represented to the Commission that public disclosure of such records would be contrary to the laws applicable to that foreign securities authority. This amendment will allow the Commission to obtain otherwise unobtainable confidential documents from foreign countries for law enforcement purposes. New Section 24(e) clarifies that nothing in Section 24 authorizes the Commission to withhold information from Congress or not to comply with an order of a United States court in an action initiated by the United States or the Commission. It also clarifies that this section does not alter the Commission's responsibilities under the Right to Financial Privacy Act, 12 U.S.C. 3401 et seq., as limited by Section 21(h) of the Exchange Act, with respect to transfers of records covered by these statutes.

Section 3: Section 3 of the Act amends the Exchange Act to authorize the Commission to impose sanctions on brokers or dealers, their associated persons, and individuals seeking to become associated persons of brokers or dealers on the basis of misconduct in a foreign country.

Section 3(a): Section 3(a) of the Act amends Section 15(b) of the Exchange Act, the Exchange Act's registration provision. Subsection (a)(1) provides for Commission censure of, limitations on the activities of or revocation or suspension of the registration of brokers or dealers, based upon a conviction within ten years rendered by a foreign court of competent jurisdiction of a crime which is substantially equivalent to a felony or misdemeanor as provided by Section 15(b)(4)(B). The Act thus clarifies the Commission's authority to consider offenses from foreign jurisdictions that might not classify crimes formally as felonies or misdemeanors, e.g., non-common law jurisdictions.

Section 15(b)(4)(B)(i) lists offenses involving the purchase or sale of any security, the taking of a false oath, the making of a false report, bribery, perjury, burglary, or conspiracy to commit any such offense as within the class of felonies and misdemeanors that permit the Commission to sanction brokers or dealers. Subsection (a)(2) of the Act amends this provision by including within this list any substantially equivalent activity, however denominated by the laws of a foreign government. The Act therefore clarifies the Commission's authority consider such activities even if the foreign government does not denominate them as precisely the same, offenses that they constitute within the United States.

Section 15(b)(4)(B)(ii) also allows the Commission to consider offenses arising out of the conduct of various securities-related businesses, including the business of a broker, dealer, municipal securities dealer, government securities broker, government securities dealer, investment adviser, bank,

insurance company, fiduciary, or transfer agent. Subsection (a)(3)(A) of the Act amends Section 15(b)(4)(B)(ii) by including any substantially equivalent activity, however denominated by the laws of a foreign government. The Act accordingly clarifies the commission's authority to consider such offenses regardless of the employment terms involved, which may differ in foreign countries. Section 15(b)(4)(B)(ii) also permits the Commission to consider offenses arising out of the conduct of the business of an entity or person required to be registered under the Commodity Exchange Act (7 U.S.C. 1 et seq.). Subsection (a)(3)(B), therefore, also amends Section 15(b)(4)(B)(ii) by including any equivalent foreign statute or regulation. The Act thus clarifies the Commission's authority to consider foreign offenses arising out of the commodities trading business.

Section 15(b)(4)(B)(iii) includes larceny, theft, robbery, extortion, forgery, counterfeiting, fraudulent concealment, embezzlement, fraudulent conversion, and misappropriation of funds or securities within the list of offenses that trigger Commission sanction. Subsection (a)(4) of the Act adds any substantially equivalent activity, however denominated by the laws of foreign government.

Section 15(b)(4)(B)(iv) of the Exchange Act includes violations of Sections 152, 1341, 1342, or 1343 or Chapter 25 or 47 of Title 18 of the U.S. Code within the list of offenses that the Commission may consider. These provisions concern concealment of assets, false oaths and claims, and bribery in connection with bankruptcy; mail fraud; wire fraud; counterfeiting and forgery; and fraud and false statements, respectively. Subsection (a)(5) amends Section 15(b)(4)(B) (iv) by including a violation of a substantially equivalent foreign statute.

Section 15(b)(4)(C) also empowers the Commission to impose sanctions on the basis of permanent or temporary injunctions against acting in the securities-related or commodities-related capacities enumerated in Section 15(b)(4)(B)(ii) and against engaging in or continuing any conduct or practice in connection with such activity or in connection with the purchase or sale of any security. Section (a)(6)(A) amends Section 15(b)(4)(C) by including foreign persons performing substantially equivalent functions, and subsection (a)(6)(C) includes substantially equivalent foreign entities. The Act thereby clarified the Commission's authority on this point in the same way and for the same reasons as subsection (a)(3)(A). Subsection (a)(6)(B) amends Section 15(b)(4)(C) by including any foreign statute or regulation substantially equivalent to the Commodity Exchange Act, thus clarifying the Commission's authority with the same basis and purpose as subsection (a)(3)(B).

Subsection (a)(7) adds new Section 15(b)(4)(G) to the exchange Act. Subparagraph (G) empowers the Commission to base sanctions on findings by a foreign securities authority of (1) false or misleading statements in registration or reporting materials filed with the foreign securities authority, (2) violations of statutory provisions concerning securities or commodities transactions, or (3) aiding, abetting, or otherwise causing another person's violation of such foreign securities or commodities provisions, or failing to supervise a person who has committed such a violation. Subparagraph (G) substantially parallels the provisions of existing Sections 15(b)(4)(A), (D), and (E) concerning such findings by the Commission or other securities and commodities regulatory authorities.

Section 3(b): Section 3(b) of the Act amends Section 3(a)(39) of the Exchange Act, which concerns statutory disqualification from self-regulatory organization ("SRO") membership. Under the present statutory and regulatory scheme, a person subject to statutory disqualification is not excluded automatically from the securities business. However, when such a person seeks to become associated with a member of an SRO, that SRO and the Commission have the opportunity, under Section 15A(g)(2) of the Exchange Act and Rule 19b-1 thereunder, to give special review to the person's employment application or to restrict or prevent reentry into the business where appropriate for the protection of investors. This structural use of statutory disqualification does not change with the Act's amendments. Rather, the amendments expand, by incorporation, the list of findings that result in statutory disqualification.

Section 3(b)(1) of the Act amends Section 3(a)(39)(A), which now lists expulsion or suspension from membership or participation in, or association with a member of, an SRO, commodity contract market, or futures association as resulting in statutory disqualification, to include exclusion in the described manner from the foreign equivalent of an SRO, foreign or international securities exchange, or a foreign contract market, board of trade, or futures association.

Similarly, Section 3(b)(2) amends Section 3(a)(39)(B) by expanding it. It currently refers to orders of the Commission or another appropriate regulatory agency suspending or revoking registration as a broker, dealer, municipal securities dealer, or government securities dealer or broker. The amendments to Section 3(a)(39) apply to brokers, dealers, municipal securities dealers, government securities brokers, and government securities dealers of any nationality, because these terms are defined in Exchange Act Sections 3(a)(4), 3(a)(5), 3(a)(30), 3(a)(43), and 3(a)(44) without reference to nationality. Under Section 3(b)(2), orders by an appropriate foreign financial regulatory authority denying, suspending, or revoking authority to engage in transactions in contracts of sale of a commodity for future delivery traded on or subject to the rules of a contract market, board of trade, or foreign equivalent also will result in statutory disqualification.

Section 3(b)(3) redesignates subparagraphs (D) and (E) of Section 3(a)(39) as subparagraphs (E) and (F), respectively. Section 3(b)(4) adds new subparagraph (D), which includes among the conditions that result in statutory disqualification findings by a foreign or international securities exchange, foreign securities authority, or other foreign authority empowered by a foreign government to administer or enforce its laws relating to financial transactions, to the effect that an individual, by his conduct, was a cause of a suspension, expulsion, or order by the foreign securities authority or other foreign financial regulator or administrator.

Sections 3(b)(5) and (6) of the Act make conforming amendments in newly redesignated subparagraphs (E) and (F) of Section 3(a)(39) of the Exchange Act, adding references to new Sections 3(a)(39)(D) and 15(b)(4)(G) of the Exchange Act, respectively. In addition, under the Act, subparagraph (F), which by cross reference to Section 15(b)(4) of the Exchange Act makes persons convicted of specified felonies and misdemeanors subject to statutory disqualifica-

tion, adds "any other felony" to the list of crimes that warrant special review. This provision permits the Commission and the SROs to provide special scrutiny of persons who have been convicted of crimes that are not currently specified, such as taking of property, assault, murder, and drug trafficking. This amendment does not automatically exclude every person convicted of a felony from the securities business. Rather, it permits SROs, subject to Commission review, to consider the facts and circumstances surrounding a particular felony and to impose necessary safeguards to protect the markets and investors from unreasonable risks.

Section 3(c): Section 3(c) of the Act makes conforming amendments. It amends Section 15(b)(6) of the Exchange Act, which authorizes the Commission to censure, limit the activities of, or bar or suspend from association with a broker or dealer any person who has committed or omitted any act or omission enumerated in subparagraphs (A), (D), or (E), has been convicted of any offense enumerated in subparagraph (B), or has been enjoined as specified in subparagraph (C). By adding to Section 15(b)(6) findings by a foreign securities authority under new Subparagraph (G), Section 3(c) authorizes the Commission to consider such findings when imposing sanctions upon persons who are, or who seek to become, associated persons of a broker or dealer.

Section 3(c) similarly amends Sections 15B(c)(2), 15B(c)(4), 15C(1)(A), 15C(c)(1)(C), 17A(c)(3)(A), and 17A(c)(3)(C) of the Exchange Act by adding new subparagraph 15(B)(4)(G) as a basis for Commission action under those provisions.

Sections 15B(c) (2) and (4), which concern the Commission's disciplinary authority over municipal securities dealers and their associated persons, and which parallel Sections 15(b) (4) and (6), are amended to include a reference to new Section 15(b)(4)(G). Findings of misconduct by a foreign securities authority thus can support Commission sanctions against municipal securities dealers and their associated persons.

Sections 15C(c)(1) (A) and (C), which concern the Commission's sanctioning authority over government securities brokers and dealers and their associated persons, and which also parallel Sections 15(b) (4) and (6), are amended to include a reference to new Section 15(b)(4)(G), for the same reason as above.

Sections 17A(c)(3) (A) and (C), which concern the Commission's sanctioning authority over transfer agents and their associated persons, and which further parallel Sections 15(b) (4) and (6), are amended to include a reference to new Section 15(b)(4)(G) for the same reason.

Section 15C(f)(2) of the Exchange Act currently forbids the Commission from investigating or taking any other action under the Exchange Act against a government securities broker or dealer or its associated persons for violations of Section 15C or the rules or regulations thereunder. The exception is where the Commission, rather than one of the banking regulators (Comptroller of the Currency for national banks, Board of Governors of the Federal Reserve System for state member banks, Federal Deposit Insurance Corporation for insured non-member state banks, and Federal Home Loan Bank Board for federally insured savings and loan associations), is the appropriate regulatory agency for the government securities broker or dealer. Section

15C(f)(2), by its own terms, also does not limit the Commission's authority with respect to violations of any other provisions of the Exchange Act or of corresponding rules or regulations. Section 6(c) of the Act extends this exception by forbidding limitations on investigations pursuant to Section 21(a)(2) of the Exchange Act to assist a foreign securities authority.

Section 4: In order to ensure that orders of any regulatory body, foreign or domestic, with authority to suspend or revoke registration or its equivalent are available to the Commission, Section 4 of the Act adds a new definition of the term "foreign financial regulatory authority," as Section 3(a)(51) of the Exchange Act. A "foreign financial regulatory authority" is defined to include any foreign securities authority, which is defined in Section 3(a)(50) of the Exchange Act; governmental or regulatory bodies empowered to administer or enforce laws relating to enumerated financial matters; and membership organizations that regulate members' participation in financial matters. Pursuant to the Act's amendments to Section 3(a)(39) of the Exchange Act, orders of foreign financial regulatory authorities are deemed sufficient to result in "statutory disqualification," as will such an order limiting registration of the foreign equivalent of any of the enumerated entities.

Section 5: Section 5 of the Act makes parallel amendments to the Investment Company Act of 1940 ("1940 Act") and the Investment Advisers Act of 1940 ("Advisers Act") to clarify and strengthen the Commission's authority to impose sanctions, on the basis of violations of foreign law, or investment advisers or on persons associated or seeking to become associated with an investment adviser or a registered investment company.

Section 5(a): Section 5(a) of the Act amends Section 9(b) of the 1940 Act. Section 9(a) of the 1940 Act generally prohibits a person convicted of a felony or misdemeanor involving securities or the securities business or subject to a temporary or permanent injunction restricting his ability to engage in the securities business from serving as an employee, officer, director, member of an advisory board, investment adviser, or depositor of any registered investment company, or principal underwriter for any registered open-end company, unit investment trust, or face-amount certificate company. The automatic statutory disqualification in Section 9(a) is supplemented by the Commission's authority under Section 9(b). Under Section 9(b), the Commission may, after notice and opportunity for hearing, prohibit a person from serving in any of the capacities cited in Section 9(a) or as an affiliated person of a registered investment company's investment adviser, depositor, or principal underwriter if the person has willfully caused a false or misleading statement to be made in any registration statement, application, or report filed with the Commission or if the person has willfully violated or willfully aided and abetted a violation of any provision (including rules and regulations) of the federal securities laws or the Commodity Exchange Act.

In an amendment parallel to Sections 3(a)(7) and 5(b)(8) of the Act, Section 9(b) is amended to add a new paragraph (4) that will authorize the Commission to restrict the activities of any person that has been found by a foreign authority to have (1) made any false or misleading statement in an application or report filed with a foreign securities authority or in a proceeding

before the foreign securities authority, or (2) violated or aided and abetted the violation of foreign securities or commodities statutes. Paragraph (4) will, therefore, parallel the provisions of paragraphs (1), (2), and (3) of Section 9(b), and extend the statute to equivalent foreign violations.

Section 9(b) also is amended to add two new provisions, Sections 9(b)(5) and 9(b)(6), that will allow the Commission by order to prohibit a person from serving in any of the designated capacities if the person has been convicted by a foreign court of any of the offenses designated in Section 9(a)(1) or has been enjoined by a foreign court in a manner set forth in Section 9(a)(2). Sections 9(a) (1) and (2) automatically disqualify anyone who within the past 10 years has been convicted of any felony or misdemeanor involving, or is subject to a permanent or temporary injunction relating to, acting as an underwriter, broker, dealer, investment adviser, municipal securities dealer, or entity or person required to be registered under the Commodity Exchange Act, or as an affiliated person, salesman, or employee of any investment company, bank, insurance company, or entity or person required to be registered under the Commodity Exchange Act, or in connection with the purchase or sale of any security. Although a conviction or injunction under Section 9(a) (1) or (2) results in an automatic statutory disqualification, a substantially equivalent foreign conviction or injunction would not. However, a substantially equivalent foreign finding will provide a basis for a Commission order prohibiting the individual's association with a registered investment company in any of the capacities designated in the statute. The automatic disqualification provisions of Section 9(a), coupled with the Commission's exemptive authority under Section 9(c) to avoid any inequitable results, are indispensable means of safeguarding the integrity of registered investment companies. The amended Section 9(b) does not automatically bar a person solely on the basis of a foreign finding of a violation of foreign law without any prior notice or opportunity for hearing by a U.S. court or administrative agency. Instead, amended Section 9(b) provides that the Commission may impose a bar on a case-by-case basis if it determines that the foreign finding justifies such a sanction. The amendment does not create competitive disparities because, just as Section 9(a) applies equally to U.S. and foreign persons that have been convicted or enjoined in a manner specified in the statute, Section 9(b), as amended, grants the Commission authority to institute an administrative proceeding against either a U.S. or foreign person that has committed an equivalent foreign violation and has been sanctioned by a foreign authority.

Section 5(b): Section 5(b) of the Act amends Section 203(e) of the Advisers Act. Section 203(e) authorizes the Commission to censure, place limitations on the activities of, suspend for up to twelve months, or revoke the registration of an investment adviser where the adviser or an associated person of the adviser has committed, or has been sanctioned for, certain specified violations. Section 5(b) of the Act amends Section 203(e) to include, among the factors that the Commission may consider, violations of foreign law that are substantially equivalent to a violation currently set forth in the statute.

Subsection 203(e)(2) of the Advisers Act authorizes the Commission to consider convictions within the past ten years of certain

felonies and misdemeanors. Section 5(b)(1) of the Act amends this section to include convictions by a foreign court of competent jurisdiction of crimes substantially equivalent to a felony or misdemeanor. The Act thus clarifies the Commission's authority to consider foreign criminal findings that the foreign jurisdiction may not classify as a "felony" or "misdemeanor."

Section 203(e)(2)(A) of the Advisers Act lists offenses involving the purchase or sale of any security, the taking of a false oath, the making of a false report, bribery, perjury, burglary, or conspiracy to commit any such offense as within the class of felonies and misdemeanors that authorize the Commission to discipline investment advisers. Section 5(b)(2) of the Act amends Section 203(e)(2)(A) by including within this list any substantially equivalent activity, however denominated by the laws of a foreign government.

Section 203(e)(2)(B) of the Advisers Act authorizes the Commission to consider offenses arising out of the conduct of various securities-related businesses. Included is any broker, dealer, municipal securities dealer, government securities broker, government securities dealer, investment adviser, bank, insurance company, fiduciary, transfer agent, or entity or person required to be registered under the Commodity Exchange Act. Subsection 5(b)(3) of the Act amends Sections 203(e)(2)(B) and (e)(3) to include offenses arising out of the conduct of any foreign person performing a function substantially equivalent to any of the above.

Section 203(e)(2)(C) of the Advisers Act includes larceny, theft, robbery, extortion, forgery, counterfeiting, fraudulent concealment, embezzlement, fraudulent conversion, and misappropriation of funds or securities within the list of offenses that trigger Commission sanctions. Section 5(b)(4) of the Act adds any substantially equivalent offense, however denominated by the laws of a foreign government.

Section 203(e)(2)(D) of the Advisers Act includes violations of Sections 152, 1341, 1342, or 1343 or Chapter 25 or 47 of title 18 of the U.S. Code within the list of offenses that the Commission may consider. These

provisions concern concealment of assets, false oaths and claims, and bribery in connection with bankruptcy; mail fraud; wire fraud; counterfeiting and forgery; and fraud and false statements, respectively. Section 5(b)(5) of the Act amends Section 203(e)(2)(D) to include a violation of a substantially equivalent foreign statute.

Section 203(e)(3) of the Advisers Act authorizes the Commission to impose sanctions where an investment adviser or associated person has been enjoined from acting as an investment adviser, underwriter, broker, dealer, municipal securities dealer, government securities broker, government securities dealer, or entity or person required to be registered under the Commodity Exchange Act, or as an affiliated person or employee of any investment company, bank or insurance company or entity or person required to be registered under the Commodity Exchange Act, or from engaging in any practice in connection with any of these activities or in connection with the purchase or sale of any security. Sections 5(b)(3) and 5(b)(6) of the Act amend Advisers Act Section 203(e)(3) to include injunctions issued by any foreign court of competent jurisdiction that concern substantially equivalent activities.

Section 5(b)(7) of the Act is a technical amendment to Section 203(e)(5) of the Advisers Act. Section 203(e)(5) is amended to include violations of the Commodity Exchange Act. This technical amendment conforms Section 203(e)(5) with Section 203(e)(4) of the Advisers Act and Sections 15(b)(4)(D) and 15(b)(4)(E) of the Exchange Act.

Section 5(b)(8) of the Act adds new Section 203(e)(7) to the Advisers Act. This new subsection empowers the Commission to base sanctions on findings by a foreign financial regulatory authority of (1) false or misleading statements in registration or reporting materials filed with a foreign securities authority, (2) violations of statutory provisions concerning securities or commodities transactions, or (3) aiding, abetting, or otherwise causing another person's violation of such foreign securities or commodities provisions, or failing to supervise a person

who has committed such a violation. Subsection (e)(7) substantially parallels the provisions of existing Section 203(e)(1), (4) and (5) concerning such findings by the Commission or other securities and commodities regulatory authorities. This section of the Act parallels Sections 3(a)(7) and 5(a) of the Act, which add Subsection 15(b)(4)(7) of the Exchange Act and Section 9(b)(4) of the 1940 Act.

Section 5(c): Section 5(c) of the Act amends Section 203(f) of the Advisers Act, which authorizes the Commission to impose sanctions upon persons associated or seeking to become associated with an investment adviser if the persons has committed or omitted any act or omission set forth in Sections 203(e)(1), (4) or (5) or has been convicted or enjoined as set forth in Sections 203(e)(2) or 203(e)(3). Section 203(f) is amended to include a reference to new Section 203(e)(7), thus authorizing the Commission to consider such findings when imposing sanctions upon persons who are, or seek to become, associated with an investment adviser.

Section 6: Section 6 amends Section 2(a) of the 1940 Act and Section 202(a) of the Advisers Act to include definitions of "foreign securities authority" and "foreign financial regulatory authority". These definitions are identical to the definitions of foreign securities authority in Section 21(a)(2) of the Exchange Act and the definition of foreign financial regulatory authority added by Section 4 of the Act.

Section 7: Section 7 adds a new subsection (f) to Section 4 of the Exchange Act to authorize the Commission to accept reimbursement of expenses from or on behalf of foreign securities authorities for expenses incurred by the Commission in conducting investigations on their behalf or in providing other assistance. This new subsection is similar to subsection (c) of the section, which authorizes the Commission to accept reimbursement from private sources for the expenses incurred by Commission members and employees in attending meetings and conferences concerning the functions or activities of the Commission.